(b) if so, the reasons therefor; and

(c) how private airlines are able to provide discounted rates of fares lower than that provided by national carriers?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) and (b) The domestic seat factor of Indian Airlines is comparatively lower than that of the private airlines. Indian Airlines links 158 city pairs to promote connectivity in the country. Many of such city pairs have low traffic density which affects the overall average on the total network of Indian Airlines.

(c) Domestic airlines are free to charge fares keeping in view their operating cost, commercial judgement and competitive market environment.

Reduction in fares in Gulf Sector

1599. SHRIMATI JAYA BACHCHAN : Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is a fact that there has been a record reduction in the fares to and fro Gulf countries by Air India, Indian Airlines and other carriers;

(b) if so, how this has been made possible despite the rising cost of fuel; and

(c) what has been its impact on passenger traffic?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) to (c) The airlines engaged in international air services to/from India are not required to file the fares with the Government and Government does not maintain details about air fares charged by airlines. According to Indian Airlines, there is no reduction in the lATA or Published fares applicable to/from Gulf countries. The actual fares quoted in the market are, however, much lower as these fares are based on demand/ supply, seasonality and product features like frequency, timings, direct/ indirect operations etc. There are frequent upward and downward movements of fares in response to market needs by various carriers operating on these sectors.

Development of Thiruvananthapuram Airport

1600. SHRI N.K. PREMACHANDRAN: Will the Minister of CIVIL AVIATION be pleased to state:

(a) the extent of land acquired for the development of Thiruvananthapuram International Airport so far and whether the area acquired is sufficient for the proposed development including the construction of new terminal;

(b) whether Government propose to acquire land required for the development of Thiruvananthapuram Airport on market rate; and

(c) the details of airports in Kerala which are levying user's fee for the international flights and whether Government would consider to discontinue the user's fee?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) 27 acres of land required for first phase of development of international passenger terminal with apron, city side facility and other necessary infrastructure has already been acquired.

(b) Land is being acquired by the State Government which is being handed over to Airports Authority of India free of cost.

(c) Airports Authority of India is not levying user's fee at its airports. However, Cochin International Airport Limited (CIAL), an airport established under public private partnership at its own level and without approval of the Central Government has levied user's fee at the rate of Rs. 500/- per passenger, from the international departing passengers only. The matter is being taken up with CIAL management.

New Airport in Punjab

1601. SHRI VARINDER SINGH BAJWA: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Government propose to construct an airport at Phillaur (Punjab) in view of massive movement to and from the Doaba Region;

(b) whether the State Government of Punjab has taken up the matter with Central Government; and

(c) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) No, Sir.

(b) No reference from the State Government on Phillaur (Punjab) airport is under consideration.

(c) Does not arise.

Progress in privatisation of Airports

1602. SHRI LEKHRAJ BACHANI: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Government support privatisation of airports;

(b) if so, what is the further progress Government have made in this matter so far;

(c) if not, in what manner Government would make its airports services at par with the global competition; and

(d) the number of airports in which Government are going to introduce privatisation with the details thereof and what is the position of those as on now?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) to (d) Government of India having recognized the urgent need to modernize and upgrade the airport infrastructure promulgated the Policy on Airport Infrastructure, 1997 which taking into account that the airport infrastructure is a capital intensive sector and requires a long term planning, envisages public and private partnership in this regard. Anew Greenfield international airport at Kochi, Kerala under Public Private Partnership (PPP) was commissioned in 1999. Government of India has already entered into Concession Agreements with the project companies of two Greenfield airports at Devanhalli near Bangalore and Shamshabad near Hyderabad. The project company for Devanhalli Airport, Bangalore International Airport Limited (BIAL), has already executed the relevant project agreements and the Financial Closure has been achieved by it on 23rd June, 2005. As per the Concession Agreement entered by Government of India with BIAL, the new airport at Devanhalli is required to be completed within 33 months from the date of Financial Close.

The project agreement for Shamshabad, Hyderabad airport are in different stages of execution. The project Company for this airport *i.e.* Hyderabad International Airport Limited (HIAL) is required to complete this project within 36 months from the date of financial closure, as per the Concession Agreement entered by Government of India with HIAL. Financial Close is expected to be achieved by September, 2005. Government has also given in principle approval for construction of new greenfield airports at MORA in Goa for which the State Government has got a Techno-Economic Feasibility Report prepared. Government has also decided to upgrade the metro airports of Delhi/Mumbai through Joint Venture route. Government has signed Concession Agreement with project companies of Bangalore and Hyderabad International airport to which *inter-alia* contains provisions to ensure that these airports will provide world class services. Similar provisions are proposed to be included in the concession agreements to be signed between Airports Authority of India and the Joint Venture Companies in the case of Delhi/Mumbai airports. 'In principle' decision has also been taken to upgrade the Chennai airport under the similar mode. At Delhi and Mumbai airports an investment of Rs. 7961.00 Crores and Rs. 6131.00 crores respectively is estimated over 20 years period at current prices. A list of mandatory capital projects have also been worked out to be taken up for implementation within the first 2 years and 5 years of handing over of the airports to the JVCs. There are also plans for construction of greenfield airports at Navi Mumbai, Chakan near Pune, Ludhiana in Punjab, Kannur in Kerala, Pakyong in Sikkim and Kohima in Nagaland which are in preliminary stages.

Efficient air traffic control

1603. SHRI ANAND SHARMA: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is a fact that there has been a substantial increase in the domestic and international air traffic in recent years; and

(b) if so, the action taken by Government and Civil Aviation authorities for an efficient Air Traffic Control to meet the growing requirements?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) Yes, Sir.

(b) Airports Authority of India (AAI) has taken steps such as implementation of additional parallel Air Traffic Services (ATS) routes and Reduced Vertical Separation Minima (RVSM). Automatic Dependent System with Controller Pilot Data Link Communication System has been introduced at Chennai and Kolkata as introduced at Mumbai and Delhi in order to have an efficient Air Traffic Control. Besides, in collaboration with Indian Space Research Organization (ISRO), AAI is implementing GPS and GEO augmented Navigation (GAGAN), an augmentation system to enhance the accuracy and integrity of GPS signals to meet precision requirements. A dedicated Satellite Communication System through Indian Satellite is also being installed. AAI has also taken steps for rapid exit taxi tracks, parallel taxi tracks to secondary runway and parking bays. Further, it has been decided to upgrade and modernise the airports at Delhi and Mumbai through public-private-partnership aiming to make them world class airports. A Committee under Shri K. Roy Paul, former Secretary (Civil Aviation) was also constituted which has recommended short, medium and long term measures to decongest the air traffic and enhance air traffic capacity at Delhi and Mumbai in particular and some other airports of the country.

Pending cases against companies

1604. SHRI SANTOSH BAGRODIA:
SHRI K.B. KRISHNA MURTHY:
SHRI HARISH RAWAT:

Will the Minister of COMPANY AFFAIRS be pleased to state:

(a) whether it is a fact that thousands of prosecution cases are pending in various courts in India for years on account of violation of various provisions of the Companies Act;

(b) if so, the number thereof and the average time taken in disposal of these cases;

(c) the nature of violations; and

(d) steps being taken by Government for expediting the prosecution proceedings?

THE MINISTER OF STATE OF THE MINISTRY OF COMPANY AFFAIRS (SHRI PREM CHAND GUPTA): (a) Yes, Sir.

(b) A total of 43573 prosecutions launched under the Companies Act were pending as on 31st March, 2003. During the year 1.4.2003 to 31.3.2004, approximately 6552 prosecutions were filed against 1954 companies and their officers. In all 50125 prosecutions were taken up in the Court, out of these 4563 prosecutions were disposed of and 45562 cases were pending as on 31 st March, 2004. The time taken for disposal for an individual case depends upon the nature of offence or offences.

(c) Prosecutions were launched on the basis of findings of violation of various provisions of the Companies Act, 1956, by the companies and their officers in default including inadequate maintenance and filing of statutory records.

(d) The Government monitors the cases filed for prosecution of offences in the Courts and takes legal action from time to time through appropriate submissions before the Courts. Separately, this Ministry has constituted a Committee under the Chairmanship of Shri O.P Vaish, to consider, *inter alia,* ways and means to improve the process of prosecution under the Companies Act, 1956. This Committee is yet to submit its Report. In view of the volume of litigation before the Courts, Government has also taken steps for legislative reforms by amending procedural laws, constituting fast track courts, etc. to enable speeding up of the process of adjudication.

Sale of shares of Government establishments

1605. SHRI MATILAL SARKAR: Will the Minister of FINANCE be pleased to state:

(a) which are the Government establishments where shares are contemplated to be sold:

(b) the extent of shares under plans for sale; and

(c) how many of these establishments happen to be the gaining concerns?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. S. PALANIMANICKAM): (a) to (c) Disinvestment decisions are taken by the Government on a case-by-case basis by following the established procedure. In May 2005, the Government decided on an 'offer for sale' of 10% equity of Bharat Heavy Electricals Limited (BHEL) out of Government's

holding of 67.72% through the "book building process'. It was also decided that upto 15% of the equity offered for sale will be reserved for the employees of BHEL. However, letters have been received from workers unions and others opposing disinvestment in BHEL. The objections are under consideration. No further decision has been taken in this matter.

Settlement of claims of depositors

1606. SHRI EKANATH K. THAKUR:
SHRIMATI JAYA BACHCHAN:

Will the Minister of FINANCE be oleased to state:

(a) whether Government are aware of the hardships caused to the survivors/dependents of a deceased in claiming the amounts left by the deceased in his/her account, despite nominations in respect of single bank account because of different interpretations given or procedures followed by these Banks;

(b) whether Government propose to evolve a fool proof and uniform procedure devoid in inconvenience to the survivors; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) The information is being colleted and will be laid on the Table of the House to the extent available.

Branches of Regional Rural Banks

†1607. SHRI NAND KISHORE YADAV: Will the Minister of FINANCE be pleased to state:

(a) the number of branches of the Regional Rural Banks presently functioning in the country, especially in North-Eastern States alongwith their locations;

(b) whether Government are contemplating to open more new branches of banks in rural areas of Uttar Pradesh and Bihar; and

(c) if so, the details thereof?

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†Original notice of the question was received in Hindi.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) The information is being collected and will be laid on the Table of the House to the extent available.

Counterfeiting of Indian currency notes

1608. SHRI R.K. ANAND: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that outdated technology at Nasik Press has made counterfeiting in Indian currency easy;

(b) whether it is also a fact that the fake currency market is estimated between Rs. 10000 and Rs. 20000 crores;

(c) if so, the details thereof; and

(d) whether it is a fact that US secret Service will be helping India combat fake currency menaces?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) No, Sir.

(b) and (c) It is difficult to provide estimates on circulation of fake currency in the country. However, as per information funished by RBI, the value of the counterfeited notes detected at RBI issue offices and bank branches was of the value of Rs. 2.44 crores during the period from April, 2004 to March, 2005. The quantity of fake Indian currency notes is miniscule as compared to total value of notes in circulation.

(d) United States of America and India have decided to have bilateral co-operation between the two countries of combat the menance of counterfeiting of currency notes.

Revision of rates of tax by States under VAT

1609. SHRI TARIQ ANWAR: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that some States have revised rates of tax under VAT;

(b) if so, the details thereof;

(c) the names of the States which have revised the rates; and

(d) whether the decision had the approval of the Central Government?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) VAT is a State subject under Entry 54 of the State List of the Constitution of India. The design of VAT, including the rates of tax, has been finalized by the States collectively, through the deliberations in the Empowered Committee of State Finance Ministers (EC). As per the information received from the States/UTS, NCT of Delhi, Himachal Pradesh, Haryana, Punjab, Orissa, Maharashtra, Goa and Meghalaya have deviated from the rates finalised by the EC in respect of certain commodities.

(d) VAT being a State subject, the States have the legislative competence to fix or revise the rates of tax under VAT. However, as per the formula for compensation to be given to the States for any revenue loss on account of introduction of VAT, the Central Government shall provide compensation only on the basis of the VAT rates approved at the time of finalization of the compensation package, *i.e.* 27 January 2005, with a few exceptions which have been specifically agreed to.

Difficulties of farmers in getting loans

†1610. SHRI R.S. GAVAI: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the farmers in the country have to face many difficulties in taking loan from the banks;

(b) whether Government propose to issue any guidelines to provide loan to the farmers in time;

(c) if so, the details thereof;

(d) whether Government propose to make such arrangements so that the farmers may get loans within ten days from the date of submission of their applications;

(e) if so, the details thereof; and

(f) if not, the reasons therefor?

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†Original notice of the question was received in Hindi.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (f) Farmers in the country do face certain problems in terms of out reach as well as access to credit. The total amount of loans disbursed to Agriculture by all institutionalized agencies including Commercial Banks, Co-operatives and RRBs during the year ending 2004-05 were Rs. 1,15,243 Crores. However, to mitigate the problems of farmers Government of India/RBI/NABARD have taken following steps to provide hassle free and timely credit to farmers:—

(i) Reserve Bank of India has issued instructions to Commercial Banks that under priority sector including all loan applications upto a credit limit of Rs. 25,000/- should be disposed of within a fortnight and those for over Rs. 25,000/- within 8 to 9 weeks.

(ii) The banks have been asked to simplify the procedure for sanction of loan.

(iii) One page documentation has been circulated among banks for adoption.

(iv) Reserve Bank of India has instructed banks not to insist on collateral or margin for loans upto Rs. 50000/-

(v) Banks have been asked to issue Kisan Credit Cards to all eligible farmers.

(vi) Financing of Self Help. Groups is being emphasised.

(vii) A Project has been initiated for lending by banks to joint liability groups of tenant farmers and oral lessees.

Incentive to officer/staff posted in Island

1611. DR. ALLADI P. RAJKUMAR: Will the Minister of FINANCE be pleased to refer to answer to Starred Question 186 given in the Rajya Sabha on the 14th December, 2004 and state:

(a) whether it is a fact that officer/staff settled in one island posted to some far flung island, have to leave their families behind and manage double establishments as they cannot commute daily from the far flung island which at times take more time to reach than travelling from mainland; and

(b) if so, the reasons for not providing these islanders with adhoc and temporary incentive when they are also managing double establishments?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Yes, Sir. It is possible that some of the officers/staff settled in one island when posted to another island, within the Andaman & Nicobar Islands, may have to maintain double establishments. The rationale for providing the incentive to officers in banks posted from outside to difficult/remote centers is that the difficulties faced by an officer from outside/mainland would be qualitatively as well as quantitatively greater than the hardship faced by a local officer. The Supreme Court has upheld this view in CA No. 3107/1991 (1992-I-LLN-63) observing that providing such benefit cannot be treated as discriminatory. Besides, providing a local officer/staff with the adhoc and temporary incentive within the Andaman & Nicobar Islands would result in similar demands by officers/ staff of Government of India and all other sectors, who are presently employed locally, in any area, region or a State. Incidentally, officers/staff from the mainland are posted in the Andaman & Nicobar island primarily, because of lack of availability of staff from the local populace.

Theft and Loot in Banks

†1612. SHRI JANARDAN DWIVEDI: Will the Minister of FINANCE be pleased to state:

(a) the number of cases of bank robberies, dacoities and theft of articles from bank lockers reported during the last one year, particularly in Delhi;

(b) the number of cases in which bank employees have been found involved; and

(c) what concrete steps have been taken by Government to check bank robberies?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Reserve Bank of India (RBI) has reported 150 cases of bank robberies and dacoities during the year ended March 2005. Three cases of bank robberies have been reported in Delhi during this period. As regards theft from lockers, only one incident was reported

†Original notice of the question was received in Hindi.

during this period, which took place at Punjab National Bank, Nauroji Nagar Branch, New Delhi.

(b) The data reporting system of RBI does not generate such information. However, PNB has reported that the police investigation in the bank locker theft at Delhi revealed involvement of a staff member who has been suspended and disciplinary action has been initiated against him.

(c) The security measures implemented by public sector banks are reviewed in the State Level Security Committee meetings convened periodically by RBI. The Committee takes stock of the security environment in the States and requisite instructions are given to banks. Banks have classified their branches depending on the risk factors involved and posted armed guards and installed anti-burglary/robbery devices, etc. wherever necessary. As regards robberies and theft from lockers, RBI has issued instructions to banks.

Parameters of fiscal Reforms for World Bank Assistance

1613. SHRI C. RAMACHANDRAIAH: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that World Bank's assistance programme to developmental projects in Indian States are linked to certain parameters of fiscal reforms;

(b) if so, what are these parameters;

(c) whether Government have laid a fiscal reforms road map for respective State Governments to enable them to avail of World Bank funds for various developmental project; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) No, Sir.

(b) Does not arise in view of the (a) above.

(c) and (d) The loan assistance for developmental projects is not linked to any parameters of reforms and therefore no road maps have been laid for States in this regard. However, in the case of States availing of Structural Adjustment Loans (SAL) from the World Bank, States are required, *inter alia,* to adhere to their commitments to fiscal reforms.

Use of Soiled Currency Notes

1614. SHRIMATI JAYA BACHCHAN: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware that the wads of currency notes reissued by the Public Sector Banks contain a large number of mutilated, partially cut, two pieces, mismatched and very old notes that have completed their life;

(b) whether the practice is not in conformity with the directions issued by RBI; and

(c) the steps proposed to be taken to address the situation and avoid inconvenience to the customers?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Reserve Bank of India (RBI) have reported that they have not come across any such complaints in the recent past.

(b) In terms of the Reserve Bank directives and guidelines currency-chest branches are required to verify, to process and to sort all the banknotes received by them both directly and from other branches and ensure that (a) banknotes unfit for further circulation are returned to the Reserve Bank and (b) good quality banknotes are reissued.

(c) RBI has created public awareness to insist on issue of clean bnknotes by the banks. Banks are also authorised to accept and exchange soiled, mutilated, etc., banknotes Reserve Bank has directed that the currency chest branches are equipped with appropriate machines to expedite the process of verification, processing and sorting of banknotes. While some banks have already installed such machines, banks with more than 100 currency chests have been given time upto November 30, 2005, to install the machines.

NPA of Public Sector Banks

1615. SHRI VIJAY J. DARDA:
SHRI MURLI DEORA:

Will the Minister of FINANCE be pleased to state:

(a) what was the percentage of Non-performing assets of PSU Banks during 2004;

(b) what is the target percentage of NPA during 2005;

(c) what special measures are proposed to be taken by Government to ensure that NPA's are wiped out gradually during the coming five years, *i.e.* by 2010; and

(d) what is the profile of NPA account holders, and its break-up into large, medium or small account holders?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) The percentage of Net Non-Performing Assets to Net advances of Public Sector Banks as on 31st March, 2004 and 31st March, 2005 is 3.0% and 2.1% respectively.

(b) and (c) No specific tartget percentage of NPA during 2005 has been prescribed by the Government. However, the Government has been impressing upon the public sector banks to make concerted efforts to reduce level of NPAs. The Government of India and Reserve Bank of India have stipulated certain steps for recovery of loans, which, *inter alia,* include evolving and implementing a recovery policy by banks, filing of suits in civil courts/DRTs, issue of notices under SARFAESI Act, 2002, compromise settlement and monitoring and follow up of NPAs at various levels. The Credit Information Companies (Regulation) Act, 2005 has been enacted to provide for regulation of credit information companies and to facilitate efficient distribution of credit thereby arresting fresh accretion of NPAs. Credit Information Bureau (India) Ltd. has also been set up to disseminate information on borrowers to the banks.

(d) Credit Information Bureau (India) Limited is maintaining a database on suit-filed accounts of Rs. 1 Crore and above and non suit-filed accounts (wilful defaulters) of Rs. 25 Lacs and above. The information can be accessed at CIBIL website www.cibil.com.

Recovery of Direct Taxes

†1616. SHRI RAM JETHMALANI:
DR. MURLI MANOHAR JOSHI:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that an amount equal to the amount recovered as direct tax from 1991 -92 to 2004-05 has remained pending to be recovered;

†Original notice of the question was received in Hindi.

(b) if not, the details of the total amount recovered as direct tax during the aforesaid period alongwith that remained to be recovered; and

(c) the increase in the expenditure incurred on the recovery of tax during the said period?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) The total amount collected as direct tax from 1991-92 to 2004-05 works out to Rs. 7,63,541 crore. Out of this amount an amount of Rs.1,00,962 has been realized by the Income-tax Department through the process of recovery. The outstanding direct tax dues at the end of 2004-05 amount to Rs. 1,00,379 crore.

(c) The total expenditure incurred by the Income-tax Department in 1991-92 was 1.69% of the total collections, which has come down to 0.89% in 2004-05. It is difficult to separate the expenditure attributable to recovery of tax.

Unutilised Bank Deposits

†1617. DR. MURLI MANOHAR JOSHI:
SHRI RAM JETHMALANI:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that a sum of one lakh crore rupees of Indian companies, which includes both Government and private companies, is laying unutilized in banks or in other forms;

(b) if so, the details in this regard; and

(c) the names of Government companies where more than one thousand crore rupees have been laying unutilized in this way?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) Reserve Bank of India has *vide* its circular dated 15th November, 1989 advised the banks to ensure that their branches follow up accounts which remained inoperative for year or so by sending suitable advices to the customers and if need be, they may immediately be put on inquiry to find out the whereabouts of the customer

†Original notice of the question was received in Hindi.

and their legal heirs. Such prompt follow up might enable the banks and/ or legal heirs, where applicable, to take such steps as are necessary to change the status of the accounts and will also reduce the quantum of unclaimed deposits of the banks, both in regard to amount and number.

Under Section 26 of the Banking Regulation Act, 1949 the banks are required to submit a return of accounts which have been inoperative for more than 10 years to the RBI. As on 31st December, 2004 a total of Rs. 794 crore was lying unclaimed with public sector banks in accounts inoperative for more than 10 years.

Uniform Tax of Diesel

†1618. SHRI RAJ MOHINDER SINGH MAJITHA:
SHRI RAM JETHMALANI:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that in those States of the country where the Value Added Tax had been enforced with effect from April, 2005, the State tax on diesel is not being charged uniformly;

(b) if so, the details in this regard;

(c) what is the percentage of tax on diesel being charged in each of those States of the country where Value Added Tax system is in force; and

(d) the reasons for not charging the uniform tax rate on diesel?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) t5 (d) VAT is a State subject under Entry 54 of the State List of the Constitution of India. The design of VAT (including rates of tax on various items) has been finalized by the States collectively, through the deliberations in the Empowered Committee of State Finance Ministers, accordingly to which a few items of goods have been kept outside VAT and the same shall continue to be taxed as per the Uniform Floor Rates (UFR) decided by the Empowered Committee. The UFR for diesel

†Original notice of the question was received in Hindi.

is 12.5% for North Eastern States, Sikkim and J&K and 20% for the other States. Since this is only a "Floor Rate", the States can fix a rate higher than this rate.

According to the information received, the States/UTs, who have fixed the rates of tax on diesel below the UFR, are NCT of Delhi (12.5%), Punjab (8.8%), Haryana (12%), Himachal Pradesh (14%), J&K (12%), Mizoram (12%) and Nagaland (12%). Regarding reasons for fixing rates below UFR, Punjab has stated that the State's economy is primarily agrarian and higher rate of diesel would adversely affect agriculture and that the State Assembly did not approve revision of the 8.8% rate. Haryana has stated that the low rate of tax is due to low rate of tax in Punjab and because Haryana being an agrarian State had to protect the farmers. The contention of NCT of Delhi and Himachal Pradesh is that they had to keep the tax rate low, because the rate was below UFR in their neighbouring States. In case of other States, the deviations are of marginal nature.

Low Per Capita Income

†1619. SHRI RAM JETHMALANI:
SHRI RAVI SHANKAR PRASAD:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that India is among the ten big countries of the world in terms of Gross Domestic Product;

(b) if so, the names of these ten big countries of the world and the rate at which their Gross Domestic Product has been assessed;

(c) whether it is also a fact that despite having higher GDP India's per capita income is very low as compared to these countries; and

(d) if so, what is India's position in the world in terms of its per capita income?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (d) As per the information available in the World Development Indicators Database of the World Bank, Gross

†Original notice of the question was received in Hindi.

Domestic Product (GDP) at current prices and per capita Gross National Income (GNI) in 2004 are indicated as follows:

	Country	GDP at current prices (millions of US dollars)	GNI per capita (US dollars)
1.	United States	11,667,515	41400
2.	Japan	4,623,398	37180
3.	Germany	2,714,418	30120
4.	United Kingdom	2,140,898	33940
5.	France	2,002,582	30090
6.	Italy	1,672,302	26120
7.	China	1,649,329	1290
8.	Spain	991,442	21210
9.	Canada	979,764	28390
10.	India	691,876	620

India has been ranked 10th in terms of GDP at current prices, in 2004 as per the World Development Indicators of the World Bank while the country is ranked 159th in terms of per capita GNI.

Categorisation for Capital Investments

†1620. SHRI RAVI SHANKAR PRASAD:
DR. MURLI MANOHAR JOSHI:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that in order to give permission for investment in Government institutes the Department of Disinvestment has divided them into two categories;

(b) if so, the details of these categories and the recommendations made for capital investment under each category; and

(c) the decision of Government regarding acceptance of these recommendations?

†Original notice of the question was received in Hindi.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) No, Sir.

(b) and (c) Do not arise in view of reply to part (a) above.

Action against Mutual Fund Companies

1621. SHRIMATI KAMLAMANHAR:
SHRI DHARAM PAL SABHARWAL:

Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware that Mutual Fund players in India are adopting unhealthy and misleading practices to attract business;

(b) if so, what are the details of complaints received or noticed by SEBI in this regard; and

(c) whether SEBI has taken action against such mutual fund companies, and if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) The information is being collected and will be laid on the Table of the House.

Stride in credit card industry

1622. SHRIMATI PREMA CARIAPPA:
SHRI JANARDAN DWIVEDI:
SHRI MOTILAL VORA:

Will the Minister of FINANCE be pleased to state:

(a) whether credit card industry representing plastic money has made tremendous strides during the years 2003-2004 and 2004-2005;

(b) if so, the number of credit cards in circulation at the end of 2002-03, 2003-04 and 2004-05;

(c) what is the number of transactions made through credit cards during each of these years as compared with direct banking transactions each year;

(d) how far aggressive marketing by Direct Selling Agents (DSA) is responsible for such dramatic rise in plastic money transactions who make tall promises, promising moon without the infant and feasibility of fulfilling the same; and

(e) the check, if any exercised by Government on such DSAs?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S.PALANIMANICKAM): (a) and (b) Rserve Bank of India (RBI) have reported that the number of cards issued by various banks at the end of March, 2003 was 6808409, March, 2004 was 9414300 and March, 2005 was 12252820 respectively.

The data is sourced from off-site returns submitted by banks and is provisional.

(c) to (e) Off-site returns do not capture transaction data or details of credit cards sold through agents.

Indian Bank's Association formed a Working Group to look into the various issues and evolved a Fair Practice Code for Credit card Operations of banks and a Model Code of Conduct for Direct Selling Agents.

New norms on credit cards

1623. SHRI K. RAMA MOHANA RAO:
SHRI RAMA MUNI REDDY SIRIGIREDDY:
SHRIMATI N.P. DURGA:

Will the Minister of FINANCE be pleased to state:

(a) whether RBI has issued new norms on credit cards to check intimidation against any person in debt collection measures;

(b) if so, the details of guidelines that have been issued by RBI; and

(c) what is the meaning of don't call registry?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S.PALANIMANICKAM): (a) and (b) With a view to mitigate problems faced by credit card holders, the Reserve Bank of India has placed draft guidelines on credit card operations on its website www.rbi.org.in. The Draft Guidelines, *inter-alia,* include directions regarding issue of cards, interest rates and other charges, wrongful billing, use of Direct Sales Agents/ Direct Marketing Agents and other agents, protection of customer rights, redressal of grievances, internal control and monitoring system etc.

It is also proposed in the said guidelines to advise banks that they should adopt fair practices in debt collection.

(c) 'Do Not Call Registry' is an exhaustive list of all customers who have informed the bank/Non-Banking Finance Companies that they do not wish to receive unsolicited calls/SMS for marketing of its credit card products.

Investment by Japan

1624. DR. KARAN SINGH:
DR. T. SUBBARAMI REDDY:

Will the Minister of FINANCE be pleased to state:

(a) whether Government have asked Japan for more Japanese investment;

(b) if so, whether the Japanese Prime Minister's recent visit has helped to improve the investment climate of Japan in India;

(c) whether the visit of Chinese and Japanese Premiers has also proved tremendous investment plan in India; and

(d) if so, what are the sectors on which these investments will be made?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S.PALANIMANICKAM): (a), (b) and (d) Consequent to the visit of the Prime Minister of Japan, a Joint Study Group (JSG) has been launched, which *inter alia* will suggest ways to encourage higher levels of investment by Japanese companies in India.

(c) During the visit of the Premier of the State Council of the People's Republic of China, the two sides also stressed that an all round expansion of India-China economic cooperation including trade and investment constitutes an important dimension of a stronger relationship.

Recovery drive against exporters

1625. DR. T. SUBBARAMI REDDY:
SHRIMATI JAMANA DEVI BARUPAL:

Will the Minister of FINANCE be pleased to state:

(a) whether PM has directed the Revenue Department in his Ministry to keep in abeyance the ongoing tax proceedings and recovery drive against exporters related to levy of income tax on profits from Duty Entitlement Pass Book (DEPB) Scheme from 1997;

(b) if so, whether the Minister of Commerce and Industry has welcomed this decision; and

(c) if so, to what extent this has helped the exporters?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S.PALANIMANICKAM): (a) Yes, Sir. Instructions have been issued to the field formations directing all the Assessing Officers to keep in abeyance till 31.8.2005 all assessments and recovery proceedings relating to assessments reopened specifically to reassess the claim for deduction u/s 80-HHC.

(b) and (c) Yes, Sir. The decision to keep the assessment and recovery proceedings in abeyance upto 31.8.2005 has provided temporary relief to the exporting community.

World Bank loan to Andhra Pradesh

1626. SHRIMATI AMBIKA SONI:
DR. T. SUBBARAMI REDDY:

Will the Minister of FINANCE be pleased to state:

(a) whether the World Bank has expressed its willingness to extend loans to the tune of Rs. 7510 Crores to the State Government of Andhra Pradesh for development of roads, irrigation and slum area development schemes;

(b) if so, to what extent the World Bank has agreed to provide this amount of loan to Andhra Pradesh;

(c) whether the Chief Minister of Andhra Pradesh has discussed this issue with him; and

(d) if so, to what extent Government have agreed to the suggestions made by World Bank for providing loans to Andhra Pradesh?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S.PALANIMANICKAM): (a) and (b) There is no ongonig World Bank assisted project in Andhra Pradesh for the development of Road, Irrigation and Slum Area Development Scheme. However, there are two pipeline projects funded by World Bank—(i) AP Urban Reform and Municipal Services Project with an estimated cost of Rs. 1050 crore, (ii) AP Roads Sector Project with an estimated cost of Rs. 1500 Crores.

(c) Yes, Sir.

(d) The Central Government has posed both the projects to the World Bank.

Protection of interest of capital market intermediaries

1627. SHRI K. RAMA MOHANA RAO:
SHRI RAMA MUNI REDDY SIRIGIREDDY:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that an expert committee constituted by SEBI to protect the interest of all capital market intermediaries including listed corporate and retail investors recommended for consolidation of all security laws in the country on the lines of Financial Services and Market Act, 2000 of UK; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S.PALANIMANICKAM): (a) and (b) No such committee has been constituted by SEBI for the cited purpose.

Circulation of counterfeit currency notes

1628. SHRI ANAND SHARMA:
SHRIMATI SUKHBUNS KAUR:

Will the Minister of FINANCE be pleased to state:

(a) whether any assessment about the quantum of counterfeit currency in circulation in the country has been made; if so, what is the latest estimate in this regard;

(b) whether Government have identified the possible sources and channel for induction and circulation of such currency;

(c) if so, the details in this regard; and

(d) the effective steps taken to prevent entry, manufacture and circulation of such currency?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S.PALANIMANICKAM): (a) It is difficult to provide estimates on circulation of fake currency in the country. However, as per information furnished by RBI, the value of the counterfeited notes detected at RBI issue offices and

bank branches was of the value of Rs. 2.44 Crores during the period from April, 2004 to March, 2005. The quantity of fake Indian currency notes is miniscule as compared to total value of notes in circulation.

(b) and (c) As per available information, fake currency is injected into circulation by local counterfeiters as well as by external agencies who smuggle fake Indian currency notes into India through various routes.

(d) To curb circulation of fake currency notes in the country, Government has taken a number of steps which include stepping up of vigilance by the Border Security Force/Custom authorities to prevent smuggling of fake currency notes into the country, training and sensitisation of law enforcing agencies, dissemination of information of security features through print and electronic media for the benefit of public, etc. Further, based on the recommendations of the High Level Committee, some additional security features have been approved for incorporation in the Indian Bank notes which will make counterfeiting extremely difficult.

Educational loans to Kerala

1629. PROF.P.J. KURIAN:
SHRI A. VIJAYARAGHAVAN:

Will the Minister of FINANCE be pleased to state:

(a) the number of applications received for educational loans in the nationalised banks in the State of Kerala, during last three years;

(b) the number of loans sanctioned and the total amount, bank-wise, district-wise, year-wise and category-wise;

(c) the number of applications pending; and

(d) the reasons of such pendency, if any?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE {SHRI S.S. PALANHMANICKAM): (a) and (b) According to the information furnished by Canara Bank, the Convener, State Level Bankers' Committee for Kerala, the bank-wise details of number of applications received, loans sanctioned and total amount under educational loan during the last three years by public sector banks in the State of Kerala are given in the Statement *(See* below). Canara Bank as reported that the data generating system (Management Information System) of banks does not provide district-wise and category-wise information.

Statement

Bank-wise details of number of applications received, loans sanctioned and amount disbursed under educational loan by Public Sector Banks in Kerala during the last three years

(Rs. in lakhs)

SI. No	Name of Bank	2002-03			2003-04			2004-05			During 2005-06 upto		
		Loan AppIn.	Loans Sanctioned		Loan AppIn. Reed.	Loans Sanctioned		Loan AppIn. Reed.	Loans Sanctioned		Loan AppIn. Reed.	Loan Sanctioned	
			No.	Amount		No.	Amount		No.	Amount		No.	Amount
1.	Bank of Baroda	384	384	866.76	469	469	922.62	443	443	965.38	78	78	231.50
2.	Bank of India	224	224	442.00	496	496	988.00	564	564	977.00	144	144	453.00
3.	Canara Bank	4452	4438	4348.96	6842	6815	4855.95	8979	8979	5774.78	1406	1406	783.00
4.	Central Bank of India	88	87	226.93	165	145	346.46	329	302	550.92	42	31	53.74
5.	Corporation Bank	125	123	249.60	163	160	292.80	258	252	470.40	67	67	114.20
6.	Dena Bank	14	14	15.79	36	36	65.15	33	33	74.77	6	3	9.81
7.	Indian Bank	162	162	285.00	186	186	369.00	726	726	1560.90	61	61	182.50
8.	Indian Overseas Bank	581	552	1023.33	893	848	1506.27	1210	1173	2247.68	152	147	191.97
9.	Punjab National Bank	102	102	165.10	334	334	553.66	642	642	1036.24	160	160	233.73
10.	Punjab & Sind Bank	26	26	39.55	15	15	35.01	7	7	17.62	9	9	22.89
11.	Syndicate Bank	340	329	450.00	1106	1057	1240.00	1501	1484	1843.00	235	214	256.00
12.	Union Bank of India.	444	423	835.56	573	546	1164.43	1445	1403	2027.53	344	337	433.42
13.	UCO Bank	66	66	111.61	88	88	197.70	103	103	202.06	17	17	43.30
14.	Vijaya Bank	162	162	282.07	190	190	451.75						
15.	State Bank of India	1073	1073	3219.00	1097	1097	3840.00	2067	2067	7234.00	300	300	1865.00
16.	State Bank of Bik. & Jaipur	9	9	14.00	10	10	15.00	9	9	31.00	2	2	8.00
17.	State Bank of Mysore	0	0	0.00	54	54	68.00	81	81	76.00	7	7	11.00
18.	State Bank of Hyderabad	3	3	2.71	5	5	12.00	10	10	19.71	6	6	17.05
19.	State Bank of Travancore	4650	4650	7765.00	5297	5297	10435.00	9847	9847	13668.00	1649	1649	3120.00
	TOTAL	12905	12827	20342.97	18019	17848	27358.80	28254	28125	38776.99	4685	4636	8030.11

(c) No pendency has been reported as per the information given by the Canara Bank.

(d) Does not arise.

Tax DGP ratio

1630. SHRI BALAVANT alias BAL APTE:
SHRI KRIPAL PARMAR:

Will the Minister of FINANCE be pleased to state:

(a) whether the tax GDP ratio is very low in our country as compared to other developing countries;

(b) if so, the details thereof;

(c) whether Government propose to take measures to increase this ratio; and

(d) if so, the measures proposed to be taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) The tax-GDP ratios of the Central Government of select developing countries, including India as given in the World Bank document World Development Indicators' are as under:

Tax revenue as per cent of GDP

.	2001	2002	2003
Argentina	12.5	12.5	9.4
Bangladesh	7.0	—	8.1
China	6.8	—	8.3
Colombia	10.8	—	13.9
India	10.0	9.9	9.1
Indonesia	13.2	13.6	13.0
Mexico	13.2	13.2	—
Pakistan	12.4	12.9	10.9
Sri Lanka	14.6	14.5	14.0
Thailand	14.5	14.4	15.4

Source: World Bank—World Development Indicators, various issues.

(c) and (d) The National Common Minimum Programme mandates the Central Government to increase the tax-GDP ratio, by undertaking major tax reforms that expand the base of tax payers, increase tax compliance and make tax administration more efficient. In pursuance of this mandate, Central Government has initiated a series of measures which, *inter alia,* include widening the tax base through phased removal of exemptions, increased coverage under service tax, special drive to realise tax arrears through setting up of Task Forces, emphasis on voluntary tax compliance, expansion of Tax Information Network, digitization of the tax administration, reducing customs duty rates to the levels of East Asian countries to make Indian manufacturers more competitive, rationalising excise duty structure so as to move towards a single CENVAT rate, moving towards integrating the tax on goods and services and providing relief to income tax payers in the form of higher exemption limits, scaling up tax brackets and providing flexibility in choice of savings instruments.

Policies regarding revenue generation

1631. SHRIMATI BIMBA RAIKAR: Will the Minister of FINANCE be pleased to state:

(a) whether the increase in tax collections during 2003-04 is attributed mainly to pre-assessment collections and does not reflect the assessment/investigation/recovery skills of the IT workforce;

(b) whether the Central Board of Direct Taxes (CBDT) is constantly fulfilling the conditions laid down in its MoU with Government in regard to increased revenue generations; and

(c) whether in many Commissioneates more than 4000 posts of inspectors and below categories remained unfilled for long and sanctioned strength curtailed in tax recovery units?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) No, Sir. The increase in direct tax collections during 2003-04 is attributable to both pre-assessment and post-assessment collections. In fact, in 2003-04, the growth in post- assessment collections over 2002-03 was 48.23% compared to the

growth of 21.03% in pre-assessment collections in the same period. Moreover, pre-assessment collections are also made substantially through the efforts of the workforce of Income Tax Department including monitoring of advance tax, enforcement of TDS provisions, conducting searches and surveys, extending taxpayers services etc.

(b) Though no Moll has been signed between CBDT and the Government the assurances given by CBDT to the Cabinet with regard to increased revenue generation have been fulfilled.

(c) A total of 8310 posts of Inspectors and below categories were vacant as on 1.1.2005. However, there has been no curtailment in the sanctioned strength of the tax recovery units.

Decline in profits of banks

1632. PROF. SAIF-UD-DIN SOZ: Will the Minister of FINANCE be pleased to state:

(a) whether he is aware that out of 27 public sector banks, 16 have reported a fall in net profits;

(b) whether he has looked into this problem; and

(c) if the answers to parts (a) and (b) above be in the affirmative, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) Yes, Sir. Net profits of some public sector banks have declined during the year 2004-05 *viz-a-viz* year 2003-04 primarily because of increased provisioning for NPAs due to revised guidelines of RBI, provision for arrears on accounts of wage revision, depreciation on investments, hardening of yield on Government securities and resultant fall in treasury income etc. However, the Government has advised the Public Sector Banks to submit a Statement of Intent on Annual Goals for the financial year 2005-06, which includes quantitative and qualitative targets on various performance parameters *viz.* Capital Risk Adequacy Ratio (CRAR), earning per share, growth in business, priority sector lending, NPAs, profitability, improvement in risk management practices, use of technology, special efforts in reaching out to the under-privileged etc.

Outstanding debts of Andhra Pradesh due to World Bank

1633. SHRI NANDIYELLAIAH: Will the Minister of FINANCE be pleased to state:

(a) the details of outstanding debts due to World Bank and other International Financial Institutions by Andhra Pradesh;

(b) the details of interest or service charges to be paid by Andhra Pradesh to World Bank and other institutions every year;

(c) the details of the mode of re-payment of these foreign loans and their interest or service charges by Andhra Pradesh;

(d) the details of impact of these loans on release of Central Budget to Andhra Pradesh during 2001-02,2002-03 and 2003-04; and

(e) whether the Central Government follows any guidelines before giving guarantee to International Financial Institutions before such loans are released to States?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (d) All assistance from International Financial Institutions including World Bank is passed on by the Government of India to the States as part of the budgetary allocation following the Gadgll Formula. There is no mechanism for the States to service the debts directly to the external funding agencies. The Central Government does not give any guarantee to International Financial Institutions for negotiating loans for the State Government.

(e) **No,** Sir.

Temporary employees in nationalised banks

1634. SHRI SANJAY RAUT: Will the Minister of FINANCE be pleased to state:

(a) the total number of employees working in the nationalized banks on temporary basis even after more than 14 to 20 years;

(b) whether it is a fact that these employees were recruited as part time temporary worker by regular selection process like calling candidates through employment exchange and proper interviews by the selection boards of the nationalised banks;

(c) whether it is also a fact that many of these temporary workers have now become overage and have crossed the age bar serving with a hope that they will be made permanent; and

(d) whether Government propose to consider permanent jobs to them and give them security of service and justice?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (d) The information is being collected and will be laid on the Table o.f the House.

Decline in market share of LIC

1635. SHRI C. RAMACHANDRAIAH: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the market share of Life Insurance Corporation (LIC) has come down due to increased competition from private players in the Insurance Industry;

(b) if so, what is LIC planning to improve its market share;

(c) to what extent is the lower market share affecting the profitability of LIC;

(d) whether it is also a fact that LIC has written to Government that it plans to absorb the service tax and education cess payable by the policy holder on the premium that he pays; and

(e) if so, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Yes, Sir. However, the market is expanding very fast and the growth rate of LIC has been satisfactory. LIC has taken various steps to improve its market share including introduction of six new plans to cater to different segments of society and matching the varying needs. To cater to the large insurable population in the rural areas, the Corporation has already in vogue the Bima Gram concept as well as Rural Career Agents Scheme which provide impetus to rural insurance and a steady source of income to the educated rural youth respectively. LIC also has been emphasizing on enhancing capability of its distribution channels through intensive training. The Corporation has

computerized all its operations and excepting 13 branches, all the remaining 2035 branches are networked enabling premium acceptance and policy enquiry across any branch. LIC has also initiated steps to open Satellite Offices in hitherto unrepresented areas.

(c) Market share and profitability are two different issues and the market share may not have any direct bearing on the profitability of the business of the Corporation as long as it is writing the level of business which it had planned for, keeping its resources in mind.

(d) No, Sir.

(e) Does not arise.

Disinvestment of Neyveli Lignite Corporation

1636. SHRI PRASANTA CHATTERJEE: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Cabinet has accorded approval for disinvestment of Neyveli Lignite Corporation; and

(b) if so, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) No, Sir.

(b) Does not arise in view of the reply to part (a) above.

Protection of consumers' interest in credit cards system

1637. SHRIMATI SUKHBUNS KAUR: Will the Minister of FINANCE be pleased to state:

(a) whether Government have carried out a study to assess the impact of the credit cards schemes launched by various banks, on the interests of consumers and their savings with the banks especially in the context of the vigorous drives by the banks to promote credit cards system;

(b) if so, the result of the study; and

(c) the steps taken/being taken by Government to protect and promote the consumers' interest?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Yes, Sir. Pursuant to the announcement of Mid-term Review of the Annual Policy statement for the year 2004-05 in October, 2004, a Working Group was constituted in Reserve Bank of India (RBI) to examine the regulatory and customer protection aspects of credit cards and suggest measures for card usage in a safe, secure and customer-friendly manner.

The Working Group has suggested various regulatory measures aimed at encouraging growth of credit card business in an efficient manner as well as to ensure that the rules, regulations standards and practices of the card issuing banks are in alignment with best customer practices.

(c) Indian Bank's Association formed a Working Group of look into the issues and evolve a Fair Practice Code for credit card issuers and a Model Code of Conduct for Direct Selling Agents. The Group has finalized the Fair Practice Code for Credit Card Operations and Model Code of Conduct for Direct Sales Agents (DSAs). Government/RBI also refer specific complaints received from individual/association relating to credit card with concerned banks for redressal and appropriate remedial action.

High churn rates in mutual funds industry

1638. SHRI RAMA MUNI REDDY SIRIGIREDDY: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Ministry and SEBI are concerned about high churn rates in the mutual fund industry;

(b) if so, the details thereof; and

(c) in what manner Government propose to control chum rates by mutual fund companies?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) It is for investors in individual schemes to examine whether the chain that has taken place in a particular period is consistent with the interest of the investors. In the event of dissatisfaction, the investor would ordinarily exit such schemes and deploy those funds with either investment managers or asset management companies. Sales of units of mutual funds normally takes place through mutual fund distributors who are certified by Association of Mutual Funds in India (AMFI). SEBI

does not regulate distributors. AMFI has devised a Code of Conduct for distributors to regulate their sales practices and distributors are required to follow the same.

Incentives to managers of banks

†1639. SHRIMATI SAVITA SHARDA: Will the Minister of FINANCE be pleased to state:

(a) whether there is any proposal under consideration of Government to give incentives to the Managers and Assistant Managers delivering better performance in the branches of the Public Sector Banks;

(b) if so, the details thereof; and

(c) by when a final decision is likely to be taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) In terms of the managerial autonomy extended to the Public Sector Banks (PSBs) by the Government of India in February, 2005, the PSBs exhibiting good performance are now free to take decisions on the remuneration and compensation of officers and staff by granting them differential pay, linked to performance within the decided pay scales. Such benefits are intended as tangible recognition for a small proportion of personnel in each scale who are genuinely outstanding performers. The State Bank of India with the approval of its Board of Directors has since finalized a scheme for the grant of incentives to its Branch Managers and other senior officers.

Merger among local banks

1640. SHRI RAJKUMAR DHOOT: Will the Minister of FINANCE be pleased to state: /

(a) whether it is a fact that Reserve Bank of India favours merger among local banks;

(b) if so, whether RBI has identified certain local banks ideal for merger and consolidation rather than acquisition by foreign players;

(c) if so, the details thereof; and

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†Original notice of the question was received in Hindi.

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) Reserve Bank of India has issued guidelines on merger and amalgamation between private sector banks and with NBFCs on 11th May, 2005. The guidelines are available on the website of RBI *i.e.* www.rbi.org.iri/notification. RBI has discretionary powers to approve the voluntary amalgamation of two banking companies. Amalgamations are normally decided by RBI on business considerations such as the need for increasing the market shares, synergies in the operations of businesses, acquisition of a business unit or segment, sound rationale for the amalgamation, the systemic benefits and the advantage accruing to the residual entity, etc.

(d) Does not arise.

White Paper on disinvestment

1641. SHRI C. PERUMAL: Will the Minister of FINANCE be pleased to state:

(a) whether Government propose to publish a White Paper on disinvestment of Public Sector Undertakings;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) The matter is under the consideration of the Government.

Private banks credit to agricultural sector

1642. SHRI C. PERUMAL: Will the Minister of FINANCE be pleased to state:

(a) whether any target for outflow of agricultural credit by private banks has been fixed;

(b) if so, the details thereof;

(c) whether any private bank has not met the target; and

(d) if so, the action taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) A target of 18% Net Bank Credit (NBC) has been stipulated for lending to agriculture sector by private banks. Further, Government of India has announced doubling of credit flow to agriculture in three years by 2006-07 for all banks.

(c) Most of the private banks could not achieve the target of lending 18% of NBC to agriculture for the year 2004-05. They extended only 12.1 % of NBC to agriculture for the period. However, private sector commercial bank reported disbursement of Rs. 8276.32 crore during the year 2004-05 and a target of 30% growth over the annual disbursement has been set for them for the year 2005-06.

(d) The domestic scheduled commercial banks, both in the public and private sector, having shortfall in lending to priority sector/agriculture, are required to deposit the amounts allocated to them by Reserve Bank of India into Rural Infrastructure Development Fund (RIDF) established with NABARD. As a measure of disincentive for non-achievement of agricultural lending target, the rates of interest on the deposits made to RIDF by the contributing banks has been lowered and are charged in inverse proportion to the extent of shortfall in the agricultural lending *vis-a-vis* the stipulated target of 18%.

Swapping of high cost loans of States

1643. SHRI MURLI DEORA: Will the Minister of FINANCE be pleased to state:

(a) whether the Twelfth Finance Commission had recommended swapping of high cost debts in favour of low cost securities;

(b) if so, the names of States which adopted this method and how far it helped them to reduce their debts;

(c) the outstanding liabilities of each State at present; and

(d) what remedial measures States have taken to reverse the trend?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) No, Sir. However, Government of India announced the Debt Swap Scheme in the year 2002 in order to help the States to address the problem of mounting burden of interest. Under this scheme, Government of India had allowed the States to swap their high cost loans carrying rate of interest of 13% and above with Current low coupon bearing small saving loans and open market borrowings.

(b) During 2002-03, twenty six States participated in the scheme. Two States *viz.* Maharashtra and West Bengal did not participate during 2002-03, these two States had participated in the scheme from 2003-04 to 2004-05. Rs. 102033.59 crore of high cost loans were swapped during 2002-05.

(c) Statement is annexed (See below).

(d) States have taken measures for revenue augmentation and expenditure rationalization to contain Fiscal Deficit.

Statement

Details of the outstanding liabilities of each State at the end of March, 2005 *(BE)*

(Rs. in crore)

	Name of the State	Total Outstanding Liabilities
1.	Andhra Pradesh	66392
2.	Arunachal Pradesh	1636
3.	Assam	18887
4.	Bihar*	55654
5.	Goa	3811
6.	Gujarat	60408
7.	Haryana	21907
8.	Himachal Pradesh	14929
9.	Jammu & Kashmir	12984
10.	Karnataka	41649
11.	Kerala	40420
12.	Madhya Pradesh*	53376
13.	Maharashtra	84114
14.	Manipur	2710
15.	Meghalaya	1868
16.	Mizoram	2147
17.	Nagaland	3609
18.	Orissa	38085
19.	Punjab	46196
20.	Rajasthan	56580
21.	Sikkim	1063
22.	Tamil Nadu	53887
23.	Tripura	4256
24.	Uttar Pradesh*	114737
25.	West Bengal	95246
	TOTAL:	896551

*The States of Bihar, Madhya Pradesh and Uttar Pradesh include the liabilities of newly
formed States i.e. Jharkhand, Chhattisgarh and Uttaranchal respectively.

Source: State Finances—A Study of Budgets of 2004-05 of RBI.

Bids to Sell UTI Mutual Funds

1644. SHRI MURLI DEORA: Will the Minister of FINANCE be pleased to state:

(a) whether Government are inviting bids to sell UTI MF and if so, the details thereof;

(b) the names of public sector bidders and the amount of their bids; and

(c) the assets of UTI Mutual Funds and what benefit would accrue to Government?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM) (a) and (b) No such proposal is under consideration.

(c) As on 3.8.2005, assets under management of the schemes of UTI Mutual Fund (including off-shore schemes) are Rs. 23,829 Crores.

Introduction of E-PAN Book

1645. SHRI JANARDHANA POOJARY: Will the Minister of FINANCE be pleased to state:

(a) whether Government propose to introduce E-PAN Book to help income tax payers see the. details of their tax payment;

(b) if so, the details in this regard;

(c) whether a number of assessees have so far not been issued to PAN Cards;

(d) whether there is considerable delay in issue of the PAN Cards, despite outsourcing the process; and

(e) if so, the number of pending applications, Circule-wise and the steps taken to expedite the issue of PAN Cards?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S.PALANIMANICKAM): (a) and (b) Tax-payers would be allowed limited online access to information relating to their tax payments through the Tax Information Network (TIN). This facility will be introduced by the end of the current financial year.

(c) and (d) So far, 3.92 crore PAN Cards have been issued. At present, over 96% of PAN Cards are being issued within 15 working days of filing of valid PAN applications. However, since this is an ongoing process, a small number of applications remain in the pipeline.

(e) Total number of PAN applications pending as on 23.7.2005 was 95,259. Since PAN applications can be filed at any PAN service centre from anywhere in the country as also through internet, circle-wise pendency is not maintained.

Facilities for online filing of PAN applications, 'Tatkal' allotment of PAN and web and call centre based PAN complaint resolution system have been provided to resolve all PAN related grievances.

Permission to PSU banks to make acquisitions of business

1646. SHRI JANARDHANA POOJARY: Will the Minister of FINANCE be pleased to state:

(a) whether Government have permitted the PSU banks to make acqusitions of businesses, pursue new lines of business, close or merge unviable branches and take all HRD decisions, including recruitment and travel overseas;

(b) if so, the details thereof?

(c) whether such dispensation is extended to all Public Sector Banks; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Yes, Sir. After due consideration a package on Management and Operational Autonomy to Public Sector Banks has been announced on 22.02.2005. These autonomy measures *inter alia* include the following:—

(i) Pursue new lines of business as part of overall business strategy.

(ii) Make suitable acquisition of companies or businesses, close/ merge unviable branches, open overseas offices, set up subsidiaries and exit a line of business.

(iii) Decide all Human Resource issues relating to the Bank, including staffing pattern, recruitment, placement, transfer, training, promotions, etc.

(iv) Prescribe standards for categorization of branches, based on volume of business and other relevant factors.

(v) Prescribe essential academic qualifications, minimum qualification standards and modalities of promotion/recruitment to various categories.

(vi) Undertake visits to foreign countries to interact with investors, depositors and other stakeholders.

(vii) Lay down policy of accountability and responsibility of Bank officials and take action against erring bank officials in conformity with such policy. The policy framework should provide for stringent punishment for all malafide actions but, at the same time, recognize that bonafide errors do occur while making decisions relating to commercial judgement.

(c) Further autonomy has been given to well performing strong banks which have earned net profit over the last three years, CAR of 9% or more, net NPA of less than 4% and minimum owned funds of Rs. 300 crore, in the following areas:

(i) Creation of additional posts of General Managers;

(ii) Decisions on remuneration and compensation of officers and staff;

(iii) Decisions on the amount of contribution to be made to the staff welfare fund.

(d) Does not arise.

Long term potential of insurance policies in rural areas

1647. SHRI VIJAY J. DARDA: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware of the need for long-term potential of life insurance in rural India as unique challenges are required to be faced there;

(b) whether Government have studied the rural/tribal customer philosophy by developing specific insurance products and introducing simplified underwriting and claims guidelines so that such customers secure their financial future; and

(c) if so, what are the details thereof especially developed by LIC and public sector General Insurance Companies?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Yes, Sir.

(b) and (c) Underwriting rural and social sector business include implementation of a long term strategy to penetrate rural markets by adopting a two pronged strategy which includes education orientation and focusing on products to cater to specific rural requirements. Keeping, this strategy in view LIC has developed the following individual as well as Group Insurance and Social Security Schemes to cater to the needs of the rural segments.

1. New Janaraksha Plan: This is meant for farmers and other rural workers whose income may be irregular.
2. Janashree Bima Yojana: This scheme provides for life insurance protection to the rural and urban persons below poverty line and even to persons marginally above poverty line.
3. Shiksha Sahyog Yojana: This is a scholarship scheme for the benefit of children of members of Janashree Bima Yojana.

LIC has also liberalized the underwriting practices and claim procedures for individual and group insurance schemes.

Some of the other schemes being implemented by the public sector general insurance companies, exclusively for the rural/tribal population and lower income groups, are:

1. National Agricultural Insurance Scheme
2. Universal Health Scheme
3. Varsha Beema
4. Tribal Package Policy.

Application sent by IOC, Barauni for fixing brand rate of drawback

t1648. SHRI MANGANI LAL MANDAL: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that application sent by Indian Oil Corporation, Barauni to the Customs Commissioner in the year 2003-04 for fixing brand rate of drawback has not been disposed till now;

(b) whether it is also a fact that as a result of non-disposal of such claim within 90 days, Government may have to pay lakhs/Of rupees as interest at 24 per cent per annum; and

(c) if so, the officials guilty for the same alongwith the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) The brand rate applications of M/s Indian Oil Corporation (IOC), Barauni are pending for want of certain documents, which are yet to be submitted. The matter is under correspondence with IOC. In view of this, the Government is not liable to pay any interest, nor any officer can be held guilty for non-finalisation of the claims.

Investment plans for surplus reserves of PSUs

1649. SHRI B.K. HARIPRASAD: Will the Minister of FINANCE be pleased to state:

(a) whether the Public Sector Undertakings have accumulated an aggregate cash and surplus reserve of more than Rs. 2,60,000 Crores, with investment plans aggregating to only a third of the reserves; and

(b) whether these cash reserves add up to roughly 10 per cent of the GDP and if so, whether Government would prevail upon these PSUs to embark on massive investment plans?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Sir, as per latest available Public Enterprise Survey, aggregate reserves and surplus of central PSEs were Rs. 2,59,576 crore as on 31.3.2004 constituting about 10 per cent of GDP.

†Original notice of the question was received in Hindi.

Central PSEs had investment outlay of Rs. 85,294.02 crore in 2004-05 (RE). Plan outlay is Rs. 1,18,462.47 crore in 2005-06 (BE), It may be noted that the entire aggregate reserves and surplus of central PSEs are not free reserves. A decision has been taken recently to enhance the financial powers of central PSEs for investment decisions.

Mishandling by recovery agents

1650. SHRI B.K. HARIPRASAD: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware that recovery agents of a financial institution in Pune had detained illegally a customer of the bank and held him to ransom for payment of his dues to the bank;

(b) whether of late, many banks and Non-Banking Financial Companies (issuing credit cards) are engaging persons of criminal antecedents to recover their dues from defaulting consumers;

(c) whether such agents have been threatening the cards holders ramify members, referees and friends, making false and obscene calls; and

(d) whether Government propose to ban the engagement of recovery agents both by banks and NBFCs?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) Reserve Bank of India (RBI) have reported that they have no information in the matter.

(d) There is no move to ban engagement of recovery agents. However, in the matter of recovery of dues, banks/NBFCs may ensure that they, as also their agents, adhere to the extant instructions issued by RBI dated May 05,2003 on Fair Practice Code for lenders.

Merger and acquisitions of banks

†1651. SHRI KRIPAL PARMAR: Will the Minister of FINANCE be pleased to state:

(a) whether Government are considering on mergers and acquisitions of Public Sector Banks;

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†Original notice of the question was received in Hindi.

(b) if so, whether this decision of Government would not affect adversely the working of the banks because the banks have their glorious tradition and they have their reliable working;

(c) whether it is a also a fact that more bank staff would get encouraged to take VRS due to this decision of Government and the number of employees would decrease further and the services of the banks would get affected fully; and

(d) if so, whether Government have contemplated to solve these problems?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRi S.S. PALANIMANICKAM): (a) and (b) Government has indicated that it would consider specific proposals from banks as they arise. Any such proposal for consolidation by way of merger etc. of one nationalised bank with another nationalised bank has to come from the management of the banks concerned with Government playing a supportive role as the common shareholder. No directive on consolidation has been issued by the Government or the Reserve Bank of India The Boards of the banks have to take a decision in this regard based on the synergy levels of merging/consolidating entities.

(e) and (d) While supporting any merger proposal, Government will ensure that the interests of the stakeholders and employees of merging banks are adequately protected.

Operation of Wadi Scheme of NABARD

†1652. SHRI KRIPAL PARMAR: Will the Minister of FINANCE be pleased to state:

(a) the names of the State where the 'Wadi' scheme of NABARD is being operated and since when this scheme is being implemented;

(b) whether it is a fact that this scheme has not been started in most of the backward States in the country;

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†Original notice of the question was received in Hindi.

(c) if so, the reasons therefor;

(d) to what extent the backward people got the benefit in those States where this scheme is being operated;

(e) whether any survey has been conducted in this regard, if so, the results thereof, and if not, the reasons therefor; and

(f) the steps being taken by Government to operate this scheme successfully in all the backward States in the country?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) The Adivasi Development Programmes (Wadi Programmes) supported by KfW, Germany are under implementation in Gujarat since 1995 and in Maharashtra since 2000.

(b) and (c) The Wadi Programme supported by KfW, Germany, is based on 100% grant assistance. The programmes are implemented in Gujarat and Maharashtra as per the pre isions of respective agreements with KfW, Germany. Since, the donor agency was already operating in these two States in connection with certain other project, this programme was also initiated in these States only.

(d) and (e) There is an in-built provision in the agreements of respective programmes entered into between KfW and NABARD for evaluation through five evaluation studies at periodic intervals and also at the end of the programme through external agencies. This is in addition to baseline survey conducted at the beginning. Accordingly, NABARD has conducted a baseline survey of the programme in Gujarat in 1995-96 and two evaluation studies in 2000 and 2003. For Maharashtra, Wadi Programme eing recent, only baseline survey has been completed. The outcome of the study for Gujarat is Annexed as Statement (See below).

(f) Wadi model has been found to be very effective in creatingsustainable livelihoods for tribal families. NABARD has created a dedicated fund called 'Tribal Development Fund" (TDF) with a corpus of Rs. 50 croce in 2004. The fund will be used as loan/grant to replicate Wadi Model in other tribal predominant areas of the country.

Statement

Outcome of the Studies conducted for Gujarat

- "WADIS" spread over 25,000 acre on the private land of around 25,500 families spread over 345 villages have been established in two States i.e. Maharashtra and Gujarat. These lands considered as wastelands and non-productive assets,have become productive and sustainable assets.
- Production has already started in Gujarat programme with 350 Mt. of cashew and over 500 Mt. of mango, which has been instrumental in establishing 10 village level processing units providing perennial employment to 180 landless tribal people, most of which are women.
- Ten tribal co-operative societies have also been registered to facilitate the continuation of the programme once the external support is withdrawn.
- The availability of protective irrigation through water resources development has increased cropping intensity. A shift in cropping pattern towards commercial crops such as vegetables and pulses has resulted in generating regular income.
- The production of Vermicomposting and Nadep compost and emphasis on Bio-pesticides in the programme have opened up avenues for production of organically grown produce.
- Seasonal migration has been reduced to a great extent as "WADI" provides round the year employment opportunities to tribal families. There is a substantial rise in employment opportunities for landless in procuring and marketing of farm produce and processing of cashew and mango as well as other income generating activities in non-farm sector.
- The health programme has reduced the incidences of infectious diseases in the area and has improved health and sanitation in the villages.
- SHG movement has provided voice to tribal women and brought out their entrepreneurial skills which is demonstrated by the micro enterprises and income generating activities such as nursery management, vermicomposting etc. undertaken by them.
- The project was presented as a successful replicable model for poverty alleviation in the developing countries at the UNDP Forum of ministers for Poverty and Environment in New York, USA in 1999 as well as at the global dialogue in Hannover, Germany.

- The most striking contribution of the WADI programme is empowerment of the people to organize their affairs successfully. Though lack of basic infrastructural facilities like schools, banks, health centres, telephone, bus service etc., at village level, WADI has given way to many successful entrepreneurs in these remote villages.

Clearance of projects for infrastructure development

1653. DR. NARAYAN SINGH MANAKLAO: Will the Minister of FINANCE be pleased to state:

(a) whether it is~a fact that Investment Commission has cleared few projects for infrastructure development in various States;

(b) if so, the details of such projects, State-wise;

(c) the criteria for selection of projects location; and

(d) the projects that have been conceived for the State of Rajasthan and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (d) The Commission does not clear projects.

Unsustainable fiscal liabilities of Kerala

1654. SHRI N.K. PREMACHANDRAN: Will the Minister of FINANCE be pleased to state:

(a) whether the CAG report for 2004 relating to Kerala shows the fiscal liabilities of the State as unsustainable;

(b) if so, how far the adverse trend influence the revenue receipts;

(c) what is the total amount of loan availed from ADB till May, 2005 including the rate of interest and conditions of repayment therein; and

(d) whether there is any direct relationship between the growing fiscal deficit and the loan availed from ADB and if so, upto what extent?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) The consolidated debt and fiscal liabilities of Government of Kerala as a ratio of their total revenue receipts.

works out to 450.56%, as at the end of March 2004, according to the CAG's Finance Accounts of the State for the year 2003-04. This ratio is substantially higher than the bench mark level of 300%, for a general category State, to be considered as a debt stressed State, under the guidelines on debt sustainability analysis for States availing external loan assistance from bilateral and multilateral agencies.

(c) The total amount of ADB loan disbursed to Government of Kerala as on 31.5.2005 is US $ 200 million. This amount has gone to State as ACA. The principal is to be repaid by Government of India to ADB in 15 years, after an initial grace period of three years, at an interest rate of 60 basis points over six months US $ LIBOR. From the current financial year, Government of India has decided to pass on all such external loans on a 'back-to-back basis' to States.

(d) The ADB loan, a programme loan for 'Modernising Government and Fiscal Reforms in Kerala', has been designed to enhance the State's revenue and rationalize its expenditure, which are likely to set-off, increase in the fiscal deficit, if any, on account of availing the loan.

Financial assistance for infrastructure development in Karnataka

1655. SHRI K.B. KRISHNA MURTHY: Will the Minister of FINANCE be pleased to state:

(a) whether the State Government of Karnataka has requested NABARD to extend the financial assistance for infrastructure development in 39 most backward taluks under Kaigarika Vikasa Scheme;

(b) if so, which are the taluks-identified for this purpose;

(c) the amount of financial assistance sought for; and

(d) the action, if any, taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) No, Sir. NABARD has not yet received any formal proposal from State Government of Karnataka for financial assistance under Kaigarika Vikasa Scheme for infrastructure development of backward districts.

(b) to (d) Do not arise.

Branches of Public Sector Banks in foreign countries

1656. SHRI LEKHRAJ BACHANI: Will the Minister of FINANCE be pleased to state:

(a) the number of branches of the Public Sector Banks presently operating in foreign countries;

(b) the number of them running in losses;

(c) the money these banks have to pay to Government of that country where they have their branch/branches; and

(d) the amount we are getting annually through foreign banks having branches in Indian cities?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (d) The information is being collected and will be laid on the Table of the House to the extent available.

Servicing of targeted sections by Multi-State Urban Co-operative Banks

1657. SHRI S.M. LALJAN BASHA: Will the Minister of FINANCE be pleased to state:

(?) whether Government and RBI allows Multi-State Urban Cooperative Banks to function, grow and generally serve specific targeted sections;

(b) the number of such Multi-State Urban Co-operative Banks presently under the jurisdiction of the RBI;

(c) to what extent is RBI helping such banks to perform their duties better;

(d) the details of any encouragement given by RBI to such Co-operative banks presently in the country; and

(e) the demands of such banks pending with the RBI presently?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) Multi-State Co-operative Banks are

functioning in more than one State and hence registered under Mult: State Cooperative Societies Act, 2002. There are 35 Mufti State Co- operative Banks registered under Multi State Co-operative Societies Act; 2002. RBI is extending all possible help to all the Urban Co-operative Banks (UCBs) including Multi State Cooperative Banks so as to grow them on sound and healthy lines.

(d) RBI has been adopting uniform policy approach towards both multi-state and non mufti-state UCBs. However, the following initiatives have been taken by RBI with regard to multi-state UCBs in particular—

(0 Strong scheduled multi-state UCBs are eligible to open on-site ATM and extension counters on their own without priorpermission from RBI;

(ii) Extended time up to 31st May, 2005 for arriving at One-time Settlement with regard to hardcore Non-Performing Assets (NPAs);

(iii) Eligible banks meeting certain criteria are being permitted to float subsidiaries for undertaking business incidental to

(@) No specific demands from multi-state cooperative banks as a class has been eceived by RBI. However, requests from individual UCBs including multi-state UCBs are examined in the light of extant instructions.

Reduction in exposure limit for advances by Urban Co-operative Banks

1658. SHRI S.M. LALJAN BASHA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that RBI .has reduced the exposure limit for advances by Urban Co-operative Banks from 20 per cent to 15 per cent of capital funds in the case of individual borrowers;

(b) to what extent will this new policy help in creating liquidity for UCBs;

(c) whether RBI will also consider giving a one-time injection of funds to traditionary healthy UCBs; and

(d) if not, what steps will RBI take to encourage UCBs in the country to help this special clientale?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Yes, Sir. Reserve Bank of India have issued instructions to Urban Co-operative Banks (UCBs) on 15th April, 2005 as measure of prudential exposure limits for borrowers and in line with the best practices. The definition of capital funds has been widened, which consists of both, Tier I and Tier II capital. The revised limit will enable sound banks having strong capital to extend higher amount of loans to individual borrowers and to contain their credit risk by wider dispersion of loans thereby discouraging credit concentration.

(c) and (d) No, Sir. However, UCBs having past accumulated losses may approach RBI. Such cases will be decided by RBI on a case to case basis so as to ensure that lending activities of banks, having past accumulated losses are not hampered due to the revised guidelines.

Reclassification of assets

1659. SHRI EKANATH K. THAKUR: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware that as per the available statistics, 80 per cent of the net profits in the banking industry had been used to write off bad loans in the last couple of years;

(b) whether it is a fact that in a bid to clean up balance sheets, most banks have been reclassifying these assets which is an eyewash; and

(c) if so, the steps Government propose to take to check the practice of reclassification of accounts that has resulted in cleaning up of NPAs?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) No, Sir. The write-off of bad loans in the last two years for public sector banks has been around 51% of the net profits.

(b) No, Sir. The classification of assets, income recognition and provisioning is based on the prudential norms and guidelines issued by RBI.

(c) Does not arise.

Setting up of fanners training centres

1660. SHRI DATTAMEGHE: Will the Minister of FINANCE be pleasedto state:

(a) whether some banks have established Farmers Welfare Trusts for setting up of Farmers Training Centres in States;

(b) if so, the details thereof, with particular reference to Maharashtra; and

(c) whether loans at reasonable rates are also proposed to be provided to farmers to save them from the clutches of money-lenders, who charge exorbitant rates of interest?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Only Punjab National Bank has established PNB Farmers Welfare Trust. The Trust is running three Farmers Training Centres in the State of Haryana, Madhya Pradesh and Rajasthan. Few Banks have also set up Rural Development and Self Employment Training Institute (RUDSETI) for extending training particularly to rural youth including farmers/members of farmer's families.

(b) PNB proposes to set up one Farmers Training Centre in Sholapur District of Maharashtra. Further, Bank of Maharashtra and Bank of Baroda have set-up RUDSETI in Maharashtra called 'MSETI' and 'BOBSETI' respectively.

(c) Interest rates on bans given by the banks are deregulated. However, interest rate on loans by Commercial Banks upto Rs.2.00 lakhs should not exceed the Benchmark Prime Lending Rate (BPLR). Further, Indian Banks 'Association has advised commercial banks to charge interest rate of not more than 9% p.a. on crop loans upto Rs. 50,000/-. Banks have been advised to provide loans to those farmers indebted to non-institutiona sources. The scheme provides relief and seeks to remove the debt burden of identified farmers acutely distressed on account of debt from non- institutional sources (e.g. money lenders). Loans are to be provided to such farmers for redemption of loans obtained by them from non-institutional (money lenders) sources. Loans are to be provided by Banks for the above purpose at current rate of interest, as applicable to agricultural loans.

Circulation of 25 and 50 paise coins

†1661. SHRI RAMADHAR KASHYAP: Will the Minister of FINANCE be pleased to state:

(a) whether Government have kept the coins 25 paise and 50 paise denomination out of circulation;

(b) the reasons for not accepting 25 paise and 50 paise coins by the traders in the market; and

(c) the steps being taken by the Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM); (a) No Sir, Both these denominations coins continue to be in circulation.

(b) Both consumers and traders are reluctant to accept the small coins on account of cost of carrying coins and small coins do not have value in settling payment transactions.

(c) The Reserve Bank of India has been continuously taking necessary steps to educate the members of public and create awareness about the legal tender characteristics of all the denominations of coins including these two coins. The Reserve Bank of India has issued instructions to all the Public and Private sectors Banks to advise their branches to accept/ issue coins of all denominations without restrictions for exchange or for deposit in accounts.

Closure of Co-operative banks in Chhattisgarh

†1662. SHRI RAMADHAR KASHYAP: Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India has ordered the Registrar of Co-operative societies to take necessary action to close some Co-operative Banks in Chhattisgarh on the charge of not following the banking provisions; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Reserve Bank of India has rejected the licence application of Zila Sahakari Kendriya Bank, Maryadit, Raigarh on

†Original notice of the question was received in Hindi.

31st October, 2003 and stopped the Bank from carrying on business of "Banking" within the meaning of Section 5(b) of Banking Regulation Act, 1949(AACS). Further, Reserve Bank of India has cancelled the licence of one Urban Co-operative Bank in the State of Chhattisgarh *viz.* the Nagrik Sahakari Bank Ltd., Dhamtari by an order dated 28.06.2004 and has requisitioned, on the same date, the Registrar of Co-operative Societies, Raipur to wind up the Bank and appoint a Liquidator to take charge. Accordingly, the Registrar of Co-operative Societies, Raipur issued the Liquidation Order on 19.07.2004 and appointed a Liquidator.

Income Tax block assessment reports of corporates

1663. SHRI ABU ASIM AZMI: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Income Tax block assessment reports of the corporate entities involved in Ketan Parekh share scam were called for reassessment;

(b) if so, what are the names of the companies where income-tax block assessment reports have been re-examined; and

(c) what are the results of probe and action being taken?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S.PALANIMANICKAM): (a) No proceedings for reassessment of completed block assessments have been initiated in respect of the 12 corporate entities whose cases were centralized in Central Circle-40, Mumbai, in connection with investigation into the Ketan Parekh share scam.

(b) and (c) Do not arise in view of reply to part (a) above.

Audit of income expenditure accounts of panchayats

†1664. SHRI RAJ MOHINDER SINGH MAJITHA-
DR. MURLI MANOHAR JOSHI:

Will the Minister of PANCHAYATI RAJ be pleased to state:

(a) whether it is a fact that the audit of income-expenditure accounts of all the panchayats in the country is mandatory as per the Twelfth Finance Commission;

†Original notice of the question was received in Hindi.

(b) whether it is also a fact that CAG has been selected for this audit;

(c) if so, the details in this regard; and

(d) the steps taken by Government so far for the audit of income-expenditure accounts of all the Panchayats throughout the country?

THE MINISTER OF PANCHAYATI RAJ (SHRI MANI SHANKAR AIYAR): (a) to (c) The Guidelines issued by the Ministry of Finance for the release and utilization of grants recommended by the Twelfth Finance Commission for augmentation of the Consolidated Funds of the States for supplementing the resources of the rural and urban Local Bodies (Local Bodies Grants) provide that the Comptroller & Auditor General of India would be expected to audit the release and use of the Local Bodies Grants within the time and for the purposes mentioned by the Twelfth Finance Commission. It also provides that the Government of India may take appropriate decision about withholding grants to a State if the Comptroller & Auditor General of India reports that the State has either not transferred the Grants to the Local Bodies or has allowed the Grants to be used for the purposes other than for which these are being provided or that Local Bodies have not been able to give priority to expenditure on the O&M of water supply and sanitation for the rural areas and on schemes of solid waste management in the urban areas.

(d) As per Article 243J of the Constitution The Legislature of a State may, by law, make provisions with respect to the maintenance of accounts by the Panchayats and the auditing of such accounts." Therefore, it is for State Governments to identify the agency to get the budget/funds of Panchayats audited. The Guidelines issued by the Ministry of Finance for the utilization of local bodies grants recommended by the Eleventh Finance Commission (2000-01 to 2004-05) provided that the C&AG shall be responsible for exercising control and supervision over the proper maintenance of accounts and their audit for all the three tiers/levels of PRIs and ULBs. State Governments should send a request under section 20(1) of the CAG (DPC) Act, for this purpose. As per the Guidelines, the format for preparation of budgets and for keeping of accounts for the local bodies shall be as prescribed by the C&AG

The sixth Round Table of State Ministers of Panchayati Raj at Guwahatj considered the issue and resolved that those State Governments which

have not as yet availed of the arrangements be invited to bring the C&AG into the exercise of accounting and audit, including the C&AG's Technical Guidance and Supervision (TGS) Scheme for the PRIs.

Improvement of local governance

. 1665. SHRI S.P.M. SYED KHAN: Will the Minister of PANCHAYATI RAJ be pleased to state:

(a) whether Government have formulated any plan to improve the local governance through re-engineering Government processes, modernization and effective use of technologies like IT;

(b) if so, the details thereof; and

(c) what efforts have been taken by Government for better local governance during 2004-05?

THE MINISTER OF PANCHAYATI RAJ (SHRI MANI SHANKAR AIYAR): (a) and (b) Between July and December, 2004 the Ministry of Panchayati Raj convened seven Round Tables with the State Ministers incharge of Panchayati Raj and evolved by consensus 150 points for action relating to 18 dimensions which have been put together in a compendium that was adopted unanimously at the conclusion of the last round table at Jaipur. At the seventh round table of Ministers in charge of Panchayati Raj held at Jaipur on 17-19th December, 2004, the subjects of IT enabled-e-governance, process re-engineering, data ownership, shoftware, hardware, infrastructure and connectivity and operationalisation of the plans were discussed. Conclusions reached during the seventh Round Table are annexed as Statement. (See below).

The Minister has now initiated a process of visiting each of the State/ UTs to review with the authorities concerned the progress in implementing the points for action contained in the compendium. A Committee of Chief Secretaries of States and State Panchayati Raj Secretaries has been constituted under the Chairmanship of the Secretary (Panchayati Raj) to monitor the progress on the implementaton of the 150 recommendations of the Seven Round Tables. Two review meetings of the Committee have so far been held on the 11th April, 2005 and the 29th June, 2005. A Council of Ministers of Panchayati Raj of States/Union Territories has been constituted under the Chairmanship of the Minister of Panchayati Raj,

Government of India. The inaugural meeting of the Council, which is on the subject of activity mapping has been held on the 5th-6th August, 2005 at Kochi. It is expected that these efforts will accelerate the pace of implementation of provisions of Part IX, read with Article 243ZD of the Constitution, and thus bring about greater conformity, in both letter and spirit, in all States/UTs to the Constitutional provisions of Panchayati Raj.

(c) The Ministry of Panchayati Raj is preparing a scheme for the computerization of Panchayats, under the National E-governance Plan, which will require close coordination with State Governments in implementation.

~~Statement~~

Conclusions (Bached during seventh round table of Ministers-in-Charge of Panchayati Raj at Jaipur, 17-19 December, 2004

IT enabled e-Governance

1. It is recognized that IT (Information Technology and Communication) *is a vital input of capacity* for Panchayats so that they can perform their constitutionally and legislatively mandated functions better.

2. IT ought to be primarily positioned as:

(i) a decision making support system for Panchayats themselves;

(ii) a fool for transparency, disclosure of information to citizens soeial audit;

(iii) a means for better and convergent delivery of services to citizens;

(iv) a means for improving internal management and efficency of Panchayats;

(v) a means for Capacity building of representatives and officials of the Panchayats.

(vi) an e-Procurement medium

In this endeavour, the Round Table specifically proposes the following initiatives.

Process Re-engineering

3. All States shall undertake a time-bound exercise of process re-engineering in consonance with the acitivity mapping already being undertaken by them for the functions transferred to the Panchayats, with a view to moving the processes of decision making, implementation, disclosure to the public, delivery of services and reporting and dissemination of information to Panchayat representatives to an IT enabled environment.

4. In this exercise regard shall be had to avoid duplication of hardware and software initiatives by different State Government departments and agencies.

5. Considering the functional domain of Panchayats that potentially extends to 29 subject listed in the Eleventh Schedule, all e-Governance initiatives at the local level have to converge with the appropriate PRI as the nodal point.

Data Ownership

6. Such re-engineered processes shall ensure that the ownership of the data collected at the Panchayat level is with that level in the first instance, as the system becomes sustainable when those who use the data feel that they own it.

7. While owning the data, the Panchayat could also operate, outsource or provide space to IT enabled multi service kiosk centers that provide IT enabled services to the people, including those that fall within the functions of the Panchayats.

8. The Community Service Centers being rolled out by the Ministry of Information Technology at the Centre may be located in the Panchayat offices so that panchayats services can also be delivered through these Common Services Centers (CSC).

Training

9. There has to be a systematic approach on training of staff and Panchayati Raj members through a cascading mode on use of IT.

10. The opportunities offered by the satellite connectivity provided through the ISRO, including EDUSAT, can be used for undertaking training,

11. While developing training material, regard shall be had to design user friendly approaches that can facilitiate training of the illiterate or the neo-literate.

Software

12. Development of common software application packages with provision for appropriate customization by states is preferred. In this connection, the National Informatics Centre (NIC), which being a government body present in all districts of the country and which has already done considerable software development for Panchayats, may be considered as the primary software provider.

13. It is recommended that NIC strengthens themselves at all levels and provide dedicated staff through creating a Panchayat informatics divisions, with a time bound mandate to develop e-Govemance solutions to all levels of Panchayats. This will include the strengthening of the District Informatics Office of the NIC to support the District Planning Committee and the Panchayats.

14. The National Panchayat Portal developed by the NIC for the Ministry of Panchayati Raj to become the information hub that links up Panchayats, the State Government and the Central Government for sharing of information, experiences and best practices. As a first step, all State Governments may immediately link and port the content of their existing Panchayat Raj websites or portals to the National Panchayat Portal and all District, Intermediate and Village Panchayats can be enabled and facilitated to link up with the portal. The content can be regularly updated by the respective .. stake holders.

15. A repository of software solutions already developed by several states shall be maintained by the Ministry of Panchayat Raj or an institution nominated by it, so that they can be used by other states.

16. Software development shall be primarily undertaken in open source software, with Indian language interphase, so as to reduce cost of replication and licencing.

Hardware

17. States should consider specifying a framework for common standards for hardware and put in place a system for transparent procurement through competitive bidding.

18. Funds for acquisition of hardware could be dovetailed from various sources and could include

(i) Infrastructure funds available in multilaterally funded projects;

(ii) Own incomes of Panchayats;

(ill) Funds recommended by the Finance Commission for the creation and maintenance of Databases;

(iv) Funds sourced from a fund to be created and managed by the Ministry of Panchayati Raj;

(v) MP and MLA Local Area Development funds; and

(vi) Purchases based on systems of annuity based purchases.

19. Considering the present power situation in the country, while procuring hardware, special attention shall be paid to providing reliable and uninterrupted power supply to computer systems. Special emphasis shall be placed on renewable energy devices and systems that consume less energy.

infrastructure and connectivity

20. It is recommended that the NIC expands its communication network, NICNET, to link all Panchayats at all levels by using State Wide Area Network funds provided by the Department of information Technology, Government of India.

21. State Govenments can approach ISRO for providing satellite based connectivity in all the states to enable connectivity of all Panchayats. The Initial infrastructure cost could be considered to be met or supported by an infrastructure fund that could be operated by the Ministry of Panchayat Raj.

Operationalization of the plan

22. The initiative of empowering Panchayats with IT capacity shall be treated on par with creating national infrastructure such as power, telecom and roads.

23. Formulate a mission mode/empowered committee mode for IT enabled automation of panchayat institutions with NIC and other solution providers,

keeping in view the national e- governance action plan of the Government of India.Capacity Building & Training

1. Training and communication ought to reach all PRI functionaries and elected representatives, namely:

(i) Gram Panchayat Members, Chairpersons and Office bearers;

(ii) Intermediate Panchayat Members, Chairpersons and Office bearers:

(iii) District Panchayat Members, Chairpersons and Office bearers;

(iv) All officials concerned at National, State, District, Intermediate and Village level; and

(v) Standing Committee members at all levels.

2. There should be special effort made towards sensitizing the media, political parties,representatives in the legislatures, civil society organisations and citizens.

3. There must be special campaigns for mobilization of Gram Sabha members.

4. There must be special training for women, SC/ST representatives as well as first time entrants into the panchayat system within 3 months of their entry.

5. Training for PESA areas should be designed so as to have regard to the cultural traditions and special needs of tribal people.

6. Training and communication should not be viewed as a single one-time intervention but should be a continuous, ongoing process leading to enhanced sense of self esteem and confidence. Training should cover both the "before" and "after" election periods, Initial traning and communication should reach all elected representatives within one year.

7. For those Panchayat members who need it, a functional literacy training course should be undertaken immediately after their elections.

8. The panchayats should be encouraged to have a sense of ownership of the training programmes and play a major role in designing content and

mechanisms of training. To this end, there must be representations for Panchayat members in the governing boards of training institutions that cater to their needs.

9. Content of training should press on strategic and technical aspects and should be based on a systematic Training Needs Analysis arrived at through multi-stakeholder consultative workshops, which would precede the design of training modules and materials.

10. There should be a minimum core curriculum that is common across the States adapting to suit local contexts. Core curriculum should include:

(i) Vision on Puma swaraj through Gram swaraj;

(ii) Principles of secularism, equality and human rights emanating from the Constitution of India;

(iii) Gender equity and social justice;

(iv) Status of human development;

(v) Poverty alleviation;

(vi) Participatory planning, implementation and monitoring;

(vii) Right to information and transparency;

(viii) Social audit; and

(ix) Rules and regulations covering Panchayati raj.

11 .Overall perspective of training must reinforce issues of social equity, gender sensitivity and justice among all participants in the process of governance through Panchayati raj, including all levels of the bureaucracy.

12. Thematic curriculum should include:

(i) Human Resource Management,

(ii) Natural Resources Management,

(iii) Disaster Management,

(iv) Financial management, including own resource management and accounting,

(v) Sectoral approaches into providing basic human needs.

13. Training strategy should be inclusive, participative and interactive and a composite mix of various interventions:

(i) face-to-face participatory training;

(ii) exposure visits;

(iii) peer training/learning;

(iv) satellite training;

(v) radio/cassettes/films;

(vi) traditional means of communication;

(vii) newsletters, updates and digests of replies to Frequently Asked Questions; and

(viii) resource centers and Help Desks for Panchayats.

14. Training content and processes should be relevant to the ground reality of elected representatives. It should continue to develop and evolve based on feedback and impact assessment. Training should become a two way process so that feedback can help in reforming the content and process of training, as also result in systemic changes in panchayat and government functioning.

15. States should move towards formation of training networks and collectives to share experiences, learn from each other, and access material from each other. States should also institutionalize collaboration with Community based organisations at the State, District, and Block level.

16. Training should inspire elected representatives to form federations or collectives and facilitate them to voice their demands for genuine devolution and development.

17. Trained members should be encouraged to become resource persons for further training of panchayat representatives Peer to peer learning, both within and outside the State through regional or national tie ups should be encouraged and supported.

18. Training should include exposure to best practices through visits to other Panchayats.

19. All open universities may tie up with IGNOU and build linkages with the SIRDs and other like institutions engaged in training and capacity building.

20. Training programmes shall be designed especially for the secretarial and technical staff working with Panchayats through institutions such as IGNOU. Such training programmes should lead to formal certification on achieving prescribed standards of learning.

21. Education in democracy and the constitutional role of panchayats as institutions of local self-government should be made part of school curricula.

22. It shall be the endeavour of the central government, to provide in as short a time as possible a panchayat capacity bulding fund through the Ministry of Panchayati Raj, which could include a certain percentage of central transfers specially earmarked for that purpose. Similarly, State Governments should also create a Panchayat Capacity Building Fund for periodic training.

23. There should a national perspective plan on decentralized training and capacity building for all PRI functionaries with specific objectives timeframe and resources.

24. States can benefit by the use of pedagogy and training techniques with information accessible to all. The Ministry of Panchayati Raj could develop a repository of training programmes, including training resources and manuals developed by the Commonwealth. Development of master modules in training in issues of gender, poverty, mass communication etc. could also be developed.

25. Independent training impact assessment studies should be periodically undertaken to assess the outcomes of training and inform emerging needs for follow up.

26. States shall work towards Upgradation of training centers, such, as SIRDs, and extension training centers at the district, block level and below.

27. With respect to the training needs of Panchayat members from the Union territories and States with Sixth Schedule areas, the Government of India would identify an SIRD or a group of institutions that could undertake the training.

Conference of Chief Ministers

1666. SHRI RAJKUMAR DHOOT: Will the Minister of PANCHAYATI RAJ be pleased to state:

(a) whether it is a fact that a Conference of Chief Ministers on Poverty Alleviation and Prosperity through Panchayati Raj was held in Juna, 2004;

(b) if so, the conclusion arrived at the Conference; and

(c) the latest status on the action taken by Government on the decisions taken in the Conference?

THE MINISTER OF PANCHAYATI RAJ (SHRI MANI SHANKAR AIYAR):
(a) and (b) A Conference of Chief Ministers and State Ministers in charge of Rural Development & Panchayati Raj on Poverty Alleviation and Rural Prosperity through Panchayati Raj was organized in New Delhi on *29*-30 June, 2004 jointly by the Ministry of Rural Development and Ministry of Panchayati Raj. Prime Minister in his inaugural address at this Conference emphasized the need to strengthen Panchayati Raj for achieving rural prosperity. He also mooted the idea of Rural Business Hubs that add value to agricultural produce in the rural areas. The Conference decided to hold seven Round Tables of State Ministers of Panchayati Raj to formulate a draft action plan for achieving the objectives of strengthening of Panchayati Raj Institutions, so as to enable them to become true institutions of self-government for planning and implementation of programmes of economic development and social justice as envisioned in Part IX of the Constitution.

(c) A joint programme of action consisting of about 150 recommendations concerning 18 dimensions of Panchayati Raj has been chalked at the seven Round Tables held between July and December, 2004. These include that on the basis of Activity Mapping undertaken by State Panchayats at various levels are devolved with funds, functions and functionaries to enable them to emerge as institutions of self-government. Recommendations also cover to institutionalizing social audit measures through Gram Sabhas so that Gram Panchayats are made responsible to the Village Community as a whole. A compendium of these 150 points has been circulated for information to all Members of Parliament.

In furtherance of the recommendations of the Round Tables, the Minister of Panchayati Raj has now initiated a process of visiting each of the States/UTs to review with the authorities concerned the progress in implementing the points for action contained in the compendium as also to arrive at a State specific Statement elaborately on the steps for reforms as pertains to the State concerned. A Committee of Chief Secretaries of States and State Panchayati Raj Secretaries has been constituted under the Chairmanship of the Secretary (Panchayati Raj) to monitor the progress on the implementation of the 150 recommendations of the Seven Round Tables. Two review meetings of the Committee have so far been held on the 11th April, 2005 and the 29th June, 2005. A Council of Ministers of Panchayati Raj of States/ Union Territories has been constituted under the Chairmanship of the Minister of Panchayati Raj, Government of India. The inaugural meeting of the Council, which is on the subject of activity mapping has been held on the 5th-6th August, 2005 at Kochi. It is expected that these efforts will accelerate the pace of implementation of provisions of Part IX, read with Article 243ZD of the Constitution; and thus bring about greater conformity, in both letter and spirit, in all States/UTs to the Constitutional provisions of Panchayati Raj.

The Ministry of Panchayati Raj has been engaged in consultation with various experts in order to devise an appropriate framework for Panchayats to facilitate the setting up of the Rural business Hubs. In November, 2004, National Presentation on Rural Business Hubs was organised jointly by Ministry of Panchayati Raj and Confederation of Indian Industry in which several Government agencies such as IT, Financial Institutions including NABARD and institutions dealing with Textiles,

Handicrafts and Agro Business participated. About 1000 elected representatives of Gram Panchayats,- Block Panchayats and Zilla Panchayats from various States/UTs also participated along with about 250 representatives of industry. The Ministry of Panchayati Raj and the Cll are now working together to facilitate public-private-panchayat partnership to establish rural business hubs. For this purpose, a Rural Business Council Co-chaired by the Minister of Panchayati Raj and Shri S.K. Munjal, former Chairman of Cll has been set up. The first Meeting of the Council was held on the 29th July, 2005.

Grants for Panchayats

1667. SHRI R. KAMARAJ: Will the Minister of PANCHAYATI RAJ be pleased to state:

(a) whether it is a fact that Government had mooted creation of an empowerment incentive fund for Panchayats with an initial investment of Rs. 500 Crores;

(b) if so, the details thereof;

(c) whether it is also a fact that the Twelfth Finance Commission made a provision for more untied grants for panchayats than what was given by the Eleventh Commission; and

(d) if so, the details thereof?

THE MINISTER OF PANCHAYATI RAJ (SHRI MANI SHANKAR AIYAR):
(a) and (b) A proposal has been sent to the Ministry, of Finance for instituting a Panchayat Empowerment Incentive Fund (PEIF). The fund is envisaged to have a dual role, namely, to incentivise and enable State Governments to devolve powers to Panchayats as per the recommendations of the seven Round Tables as also to strengthen the capacity of these empowered Panchayats to plan and implement schemes and play their role as responsive and accountable institutions of self-government.

(c) and (d) Yes Sir. A sum of Rs. 20,000 crore has been earmarked for the Panchayats by the Twelfth Finance Commission as grants-in-aid to augment the Consolidated Fund of the State for the period 2005—2010 to be given to Panchyayats with an *inter se* share between States as indicated in the report. The Eleventh Finance Commission earmarked Rs. 8000 Crores for the same purpose during the period 2000—2005. The guidelines stipulate that the PRIs should be encouraged to take over the assets relating to water supply and sanitation and utilize the grants for repairs/rejuvenation as also the O&M costs. Of the grants allocated for Panchayats, priority should be given to expenditure on the O&M costs of water supply and sanitation. This would facilitate Panchayats to take over the schemes and operate them.

Establishment of Rural Business Hubs

1668. SHRIMATI N. P. DURGA: Will the Minister of PANCHAYATI RAJ
be pleased to state:

(a) whether there is any initiative from his Ministry to have an action plan to establish rural business hubs in the country;

(b) whether it is a fact that Andhra Pradesh has not been included in the States identified for developing rural business hubs;

(c) if so, the reasons behind neglecting Andhra Pradesh; and

(d) what are the core areas identified by his Ministry for rural business?

THE MINISTER OF PANCHAYATI RAJ (SHRI MANI SHANKAR AIYAR):
(a) A Conference of Chief Ministers and State Ministers in charge of Rural Development and Panchayati Raj on Poverty Alleviation through Panchayati Raj was organised in Delhi on 29-30 June, 2004. The Prime Minister in his inaugural address emphasized the need to learn from the Chinese Model of Town and Village Enterprises that add value to agricultural produce in the rural areas. In this context, he suggested the establishment of Rural Business Hubs based on local resource endowments, felt needs of the local community, and relative absorptive capacity. Accordingly, the Ministry of Panchayati Raj has been engaged in consultation with various experts in order to devise an appropriate framework for Panchayats to facilitate the setting up of the Rural Business Hubs. In November, 2004, National Presentation on Rural Business Hubs was organised jointly by Ministry of Panchayati Raj and Confederation of Indian Industry in which several Government agencies such as IT, Financial Institutions including NABARD and institutions dealing with Textiles, Handicrafts and Agro Business participated. About 1000 elected representatives of Gram Panchayats, Block Panchayats and Zilla Panchayats from various States/UTs also participated along with about 250 representatives of industry. The Ministry of Panchayati Raj and the Cll are now working together to facilitate public-private-panchayat partnership to establish rural business hubs. For this purpose, a Rural Business Hubs (RBH) Council Co-chaired by the Minister of Panchayati Raj and Shri S.K. Munjal, former Chairman of Cll has been set up. The first Meeting of the Council was held on the 29th July, 2005.

(b) and (c) The RBH Council initially identified ten States namely, Uttaranchal, Kerala, Karnataka, J&K, Punjab, Rajasthan, West Bengal,

U.P., Chhattisgarh and Assam to establish RBH pilot project. The remaining States would also be taken up for the development of Rural Business Hubs based on the progress of the pilots. Proposals from Andhra Pradesh would be welcome. The Ministry is in touch with the Government of Andhra Pradesh in this regard.

(d) The core areas identified for development of Rural Business Hubs are in the field of renewable energy including bio-gas, bio-fuel from Jatropha plantaticn and solar energy, Agro industries, Agro Processing and Rural Industries including Khadi & Village Industries and Textiles, handlooms and handicrafts.

Installation of Computers in Panchayats

1669. SHRI R. KAMARAJ:
SHRI RAVULA CHANDRA SEKAR REDDY:
SHRI EKANATH K. THAKUR:
SHRI K. RAMA MOHANA RAO:

Will the Minister of PANCHAYATS RAJ be pleased to state:

(a) whether it is a fact that Government have decided to spend over Rs. 1,000 crores in the next two years towards installation of computers in 2.4 lakh panchayats, interlink them with one another and also with a national panchayati portal;

(b) if so, the guidelines worked out so far for this project;

(c) whether it is also a fact that Government are banking on the Planning Commission and the Ministry of Finance to raise funds in this regard;

(d) whether talks were held with them in this regard; and

(e) if so, the details thereof and the outcome thereof?

THE MINISTER OF PANCHAYATI RAJ (SHRI MANI SHANKAR AIYAR):
(a) to (c) The Ministry of Panchayati Raj is preparing a scheme for the computerization of Panchayats, under the National e-Governance plan, which will require close coordination with the Planning Commission, Ministry of Finance and State Governments in implementation. Expenditure targets are being finalized.

(d) State Governments have been consulted to take into account their individual initiatives in this regard, as also to understand the gaps, needs and constraints in e-Govemance for Panchayats.

(e) Does not arise.

Scam in Delivery of Petrol and Diesel

1670. SHRI DATTA MEGHE:
DR. MAM. RAMASWAMY:
SHRI LALIT SURI:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government are aware that agents sending oil tankers for army from Indian Oil Corporation (IOC) depots to Leh and Ladakh were siphoning off petrol and diesel before it reaches Leh and are delivering tankers full of water to forward bases, instead of oil;

(b) if so, the details thereof;

(c) whether a team of IOC officials recently visited Leh for investigating the matter;

(d) if so, the details thereof; and

(e) the outcome thereof and the action taken against the persons responsible for this fraud?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI
SHANKAR AIYAR): (a) and (b) Commanding Officer, Field Petroleum Depot, Indian Army, Leh *vide* their letter dated 16.07.2005 informed IOC's Ambala Terminal that 7 Tank Trucks loaded with HSD Ex Ambala on 11.07.2005 were found to be carrying water.

(c) to (e) Yes, Sir. An IOC team visited Leh on 21st-22nd July 2005 during which the Army authorities informed them that an FIR had been lodged with the local police authorities and all 7 Tank Trucks were under police custody. The Tank Trucks drivers had also been arrested by the police.

This Ministry has asked IOC to get an immediate enquiry conducted into the matter through their Chief Vigilance Officer. In addition, IOC have

constituted a committee comprising DGM (Operations) and DGM (Quality Control) to investigate the matter. Suitable necessary action would be taken after the matter has been enquired into.

Oil Refinery near Allahabad

1671. SHRIMATI JAYA BACHCHAN: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the work on the proposed refinery in Lohgada (near Allahabad)
has started; if so, the details thereof;

(b) if not, the reasons therefor and by when the work is likely to start; and

(c) if the reply to part (a) above be in the affirmative, the status thereof?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI
SHANKAR AIYAR) : (a) Land has been acquired and walled-off but construction is yet to begin.

(b) and (c) As at present, the implementation of the refinery project for Uttar Pradesh is slated to be taken up after completion of the Central India Refinery Project at Bina (Madhya Pradesh). The scheduled completion of Central India Refinery Project is projected in 2009-10.

Reserve fund with oil corporations

1672. SHRI S. S. AHLUWALIA: Will the Minister of PETROLEUM AND
NATURAL GAS be pleased to state:

(a) whether the public sector oil corporations *viz.,* ONGC, Indian Oil, HPCL and BPCL, have been operating profitably;

(b) if so, the corporation-wise details of gross and net profit earned both in absolute term and percentage of turnover year-wise, since 2001-02 upto 2004-05 alongwith percentage of profit disbursed as dividend and volume thereof in absolute term and portions of profit transferred to reserve fund;

(c) the indentities of the top ten recipients of dividends year-wise, indicating percentage of total dividend received by each and its volume on each occasion; and

(d) the details of reserve fund as on 30th June, 2005, Corporation-wise?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) to (d) The information is being collected and will be laid on the Table of the House.

Impact of strike against price hike

1673. DR. K. MALAISAMY: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether there was any nation-wide strike recently of lorries, vans, autos and other vehicles to protest against the recent price hike of petrol and diesel;

(b) the impact of this strike in terms of economic loss for the entire country;

(c) whether the import and export process was affected on the date of strike;

(d) whether there was any law and order problem due to the strike; and

(e) what were the preventive measures taken to avert the strike?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) to (e) The transport operators under the banner of All India Motor Transport Congress (AIMTC) went on a one day token strike on 28 June 2005 in protest against the recent hike in prices of petrol and diesel. Overall, the strike had no impact on the movement of trucks except in a few States like Kerala, Andhra Pradesh and Tamil Nadu where inter-State and intra-State movements had been partially affected. No untoward incident involving law and order problem came to the notice of Government during the one day token strike.

Demand and Supply of kerosene

1674. SHRI THENNALAG BALAKRISHNA PILLAI: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether there is a huge gap between the demand and supply of Kerosene sold through PDS in the country;

(b) if so, the details thereof, State-wise;

(c) the reasons for this gap; and

(d) the action taken to fill this gap through adequate supply of Kerosene for PDS?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI
SHANKAR AIYAR): (a) to (d) The Kerosene sold under Public Distribution System (PDS) is an allocated product. As per policy adopted by the Government of India the allocation of PDS kerosene to various States/ Union Territories was reduced every year beginning 2001-02 and till 2004-05, taking into account the number of LPG connections released in each of the States/Union Territories.

In view of the requests received from various State Governments for increasing the allocation, the Government of India have commissioned the first-ever detailed study of Kerosene demand in the country, through the National Council of Applied Economic Research (NCAER) in December 2004. The final report of NCAER is expected by September 2005.

Pending the report of NCAER, and taking a view thereupon, allocations for the year 2005-06, have been maintained at the level of 2004-05, including additional allocations made during that year to meet urgent demand of PDS kerosene in States/Union Territories. The decision about rationalizing the allocation of PDS kerosene among States/Union Territories would be taken after examining the NCAER report.

Testing agency for diesel

1675. DR. MURLI MANOHAR JOSHI:
SHRIMATI BIMBARAIKAR:
SHRI V. NARAYANASAMY:
SHRI RAJ MOHINDER SINGH MAJITHA:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether, of late PSU oil companies are losing out on diesel market share;

(b) whether the diesel sale by PSU oil companies fell by 9.5 per cent during the last quarter and if so, the reasons therefor;

(c) whether oil marketing agencies have revised the plan to increase marketing of diesel through new strategy; and

(d) whether there is any testing agency to which supplies from petroleum companies are subjected to in qualitative terms?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) to (c) The Government have granted the rights for marketing of transportation fuels to new companies in terms of the Government resolution of 08.03.2002. These companies have started commissioning retail outlets and sales at these retail outlets are largely carved out of the sales of existing outlets of PSU Oil Marketing Companies. Hence, diesel retail sales have fallen by 5.9% for PSUs in the first quarter of 2005-06 (April-June 2005). In the de-regulated scenario, the Public Sector oil marketing companies are continuously reviewing their strategy in view of the market conditions.

(d) The names of laboratories which can be approached for testing the quality of petrol and diesel are listed in the MS/HSD Control Order.

Closure of LPG bottling trafficking plants

1676. SHRIMATI S.G INDIRA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that due to recent LPG tanker operators strike, 13 bottling plants out of 16 were shut down in Tamil Nadu alone;

(b) if so, the details thereof; and

(c) the steps taken by Government to resolve the issue between the LPG Tanker operators and PSU oil companies to ensure that such strikes are not not called frequently?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) and (b) At present, Public Sector Oil Marketing Companies (OMCs) are operating 18 bottling plants in Tamil Nadu. OMCs have reported that none of their plants was completely shut down owing to transporters' strike during the period between 8th July 2005 and 22nd July 2005. However, intermittent stoppage of bottling was experienced at the Chennai plant of Hindustan Petroleum Corporation Limited (HPCL) and

some of the bottling plants of Indian Oil Corporation Limited (IOCL). There was also an interruption in production for about 13 hours at one of the bottling plants of Bharat Petroleum Corporation Limited (BPCL) at Coimbatore, which is rail fed owing to safety inspection of tracks by the Railway Authorities.

(c) The strike was called by the Transport Associations for modification/ deletion of certain terms and conditions in the tender floated recently by the OMCs. However, after the intervention of the Minister, at which various details were explained to the representatives of the transporters, the strike was called off on the 22nd July 2005.

Separate department for energy

1677. SHRIMATI N.P. DURGA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government have any plan to create a separate Department for energy within the Ministry;

(b) if so, the reasons for creating a separate Department for energy; and

(c) whether the Public Sector Undertakings are also going to be bifurcated between the Ministry and the proposed new Department?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI
SHANKAR AIYAR): (a) No, Sir.

(b) and (c) Do not arise.

Jagadishpur-Haldia Pipeline Project

1678. SHRI CHITTABRATA MAJUMDAR: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether GAIL has any plans to lay gas pipeline from Jagadishpur to Kolkata/Haldia;

(b) if so, the details of the same; and

(c) the project cost, anticipated time for completion and tentative zero-date for commencement of the project?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI
SHANKAR AIYAR): (a) to (c) GAIL (India) Limited's proposal of laying a gas pipeline between Jagadishpur to Kolkata/Haldia is under active consideration but at a preliminary stage of implementation as the source of gas supply is still to be finalized and downstream consumer tie-ups are being arranged.

Restrictions on import of petroleum products

1679. PROF. M.M. AGARWAL: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government have formulated any scheme to restrict the import of petroleum products;

(b) whether the import of petroleum products is growing due to the constant increase in the demand of petroleum products against the production of crude oil in the country; and

(c) if so, the necessary steps being taken by Government in this regard?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) No, Sir. Although the country is surplus in most petroleum products, except LPG, imports of non-transportation fuels except kerosene are freely allowed and are made on commercial considerations. Import of transportation fuels is allowed through IOC and by companies who have been granted marketing rights. Kerosene import is allowed through State Trading Enterprises like IOC, HPC and BPC.

(b) and (c) The import of petroleum products has grown marginally from 8 Million Metric Tonnes (MMT) in 2003-04 to 8.8 Million Metric Tonnes (MMT) in 2004-05 as against growth in exports of petroleum products from 14.6 MMT to 17.5 MMT during the same period. The increased import is on account of the increase in demand and for meeting the demand for EURO lll/Bharat Stage II quality fuel laid down by the Auto Fuel policy. During the corresponding period, indigenous crude production has also increased marginally from 33.373 MMT to 33.980 MMT.

In view of India's export earnings of over Rs.28,000 crore from petroleum products in 2004-05, Indian Oil Corporation Limited have been asked to

prepare a detailed feasibility study on making India an investment destination for refineries, in particular export-oriented refineries, aimed at promoting India as the refining hub of South Asia/South East Asia.

Recommendations of Synergy in **Energy Panel**

1680. SHRI MANOJ BHATTACHARYA:
SHRI R.P. GOENKA:
SHRI C. PERUMAL:
SHRI V NARAYANASAMY:
SHRI C. RAMACHANDRAIAH:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state: -

(a) whether the Synergy in Energy Panel headed by Dr. V. rishnamurthy, has submitted its report to Government;

(b) if so, the details of its major recommendations and Government's reaction thereto; and

(c) the action taken/proposed to be taken with regard thereto?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI
SHANKAR AIYAR): (a) Yes, Sir.

(b) and (c) The Committee has recommended policy and structural changes and also suggested certain management solutions for improved performance of the oil companies in the public sector. Some of the major recommendations are:

1. Merger of Oil Public Sector Undertakings (PSUs) may not be advisable for the present.

2. On policy issues there is need for an integrated energy policy, setting up of Cabinet Committee on Energy headed by the Prime Minister and setting up of an Energy Ministry. The Committee has also recommended revamping of the existing framework of supervision and overview by various surveillance agencies like Central Vigilance Commission by setting up of pre-investigation Board with former PSUs chiefs, Government and Private Sector representatives.

3. For empowering Directorate General of Hydrocarbons as an autonomous body with a separate cadre of experts and access to funds.

4. For overseas ventures, to set up a parallel new entity by Oil India Limited. Intense competition in overseas bidding is to be avoided by fixing up a limit related to the production capacity of more than 2 million tones of oil equivalent for ONGC Videsh Limited (OVL), below which the other new entity would be permitted to bid.

5. Another recommendation of the Committee relates to setting up of a National Shareholding Trust, modeled after Temasek of Singapore and Khazanah of Malaysia, but with a modification. The oil PSUs joining the Trust shall continue to retain their PSU character and the Trust shall function as non-profit Trust set up under the Societies Registration Act or under the Companies Act or as a statutory body. The Board of the Trust will comprise eminent personalities from Government Public Sector and Private Sector. The Committee expects that the greater autonomy to the Trust would ensure synergy in operations.

The recommendations are under consideration of the Government.

Commissioning of refinery at Bhatinda

1581. SHRI VARINDER SINGH BAJWA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the status report of the commissioning of Guru Gobind Singh Refineries Ltd. at Bhatinda; and

(b) by when, it is likely to be commissioned?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI
SHANKAR AIYAR): (a) Based on the incentives offered by the State Government of Punjab (GoP), as also other commercial considerations, Hindustan Petroleum Corporaton Limited (HPCL) have decided to set up a refinery at Bhatinda. The Deed of Assurance (DoA) is scheduled to be signed at Bhatinda on 12.8.2005 in the presence of the Chief Minister of Punjab and the Union Minister of Petroleum and Natural Gas.

(b) Configuration of the refinery is being finalized. After the DoA is signed, financial appraisal and tie-up of funds for the project will be carried out. The refinery is likely to be commissioned in 60 months' time from the tie-up of funds for the project.

Experiment on bio-diesel

†1682. SHRI MOTILAL VORA:
SHRI JANARDAN DWIVEDI:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government are aware that the Central Salts and Marine Chemical Institute has recently carried out an experiment of running 'C class Mercedes Car making use of a bio-diesel obtained from Ratanjot;

(b) whether it is a fact that Mercedes Car was run successfully upto six thousand Kms. on Indian roads by using the said bio-diesel; and

(c) if so, what steps are being taken by Government to promote the use of bio-fuel in vehicles?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI
SHANKAR AIYAR): (a) and (b) The Central Salts and Marine Chemical Research Institute (CSMCRI) have stated that M/s. Daimler Chrysler, Germany, who are collaborating with CSMCRI on the bio-diesel project, have undertaken vehicle tests with neat bio-diesel produced by CSMCRI. A Mercedes Benz C 220CDI manual transmission vehicle was used for this purpose without any engine modification except for the replacement of some plastic seals with rubber seal in the fuel system.

During April 2004, a Mercedes Benz C class car with a neat bio-diesel undertook a journey of 6,000 km covering southern, western and northern sites. No problem was encountered in the trip and an average mileage of 13.5 Km/lit. was obtained, which is in line with what is obtained from fossil diesel. Also, no visual or audible change was found in the engine. At present, M/s. Daimler Chrysler India is running the same car for testing bio-diesel produced by CSMCRI in the mountainous terrains of Leh in the Himalayan region from 6th August, 2005.

†Original notice of the question was received in Hindi.

(c) The Planning Commission had set up a Committee on Development of Bio-fuel which recommended the launching of a National Mission on Bio-diesel with special focus on the plantation of Jatropha Curcas. The Ministry of Rural Development is the nodal Ministry for the proposed National
Mission on Bio-diesel. That Ministry has had a Detailed Project Report (DPR) prepared. The Planning Commission have recently received the DPR for 'in principle' approval. Independent R&D efforts undertaken by Oil Companies for promoting bio-diesel, both for production and for use of different blends of bio-diesel in petro-diesel in transportation sector have yielded satisfactory results. However, the possibility of future commercial use of bio-diesel as an auto-fuel is dependent on the overall economics of bio-diesel availability at reasonable prices.

Government is also implementing a 5% ethanol-blended petrol programme in notified sugar producing States and adjoining areas in terms of Gazette Notification No. GSR705(E) dated 27.10.2004 and the Memorandum of Understanding signed on 4.8.2005 with the Indian Sugar Mills Association (ISMA).

National Gas Grid

1683. SHRI THANGA TAMIL SELVAN: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether any pipeline policy has been framed for setting up of National Gas Grid;

(b) if so, the details thereof; and

(c) whether Government will expedite setting up of National Gas Grid to take care of the gas scarcity region in the country?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) to (c) The Ministry have proposed a draft Gas Pipeline Policy which envisages the development of a nation-wide gas grid in a competitive environment, involving both the public sector and private .sector, under the overview of a Regulator. The draft Pipeline Policy aims to encourage competition, efficiency and greater investment in this sector, all of which will ultimately benefit the consumer and the economy in general. The provisions of the Policy would be in line with the provisions of the proposed Petroleum and Natural Gas Regulatory Board (PNGRB) Act, which is under the active consideration of Government.

Expenditure incurred by oil corporations

1684. SHRI S.S. AHLUWALIA: Will the Minister of PETROLEUM AND
NATURAL GAS be pleased to state:

(a) whether the operations of the oil corporations *viz.,* ONGC, IOCL, HPCL and BPCL, include import of inputs in crude and other forms, refining and marketing of petroleum products;

(b) the details of volume and value (in terms of USD and Rupee) of imports, year-wise, of respective corporations alongwith volume and sales value of their respective outputs since 1999-2000;

(c) the details of expenses incurred by them on account of Customs Duty, Excise Duty, various Cess levied by Central and State Governments on refining and transportation etc.; and

(d) the share of profits earned by each corporation from refining and marketing operations respectively, year-wise?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI
SHANKAR AIYAR): (a) to (d) The information is being collected and will be
laid on the Table of the House.

Expenditure of Kandla-Bhatinda pipeline

1685. SHRIMATI S.G INDIRA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that lack of proper planning in capacity augmentation of the Kandla-Bhatinda pipeline led to avoidable expenditure of Rs. 66.68 crores by IOC;

(b) if so, the details thereof;

(c) whether it is also a fact that encashment of the Bank Guarantee in excess of requirements resulted in payment of Rs. 70.29 crores towards interest; and

(d) if so, the details thereof?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) and (b) No, Sir. The scheme for augmentation of

Kandla Bhatinda Pipeline (KBPL) to 8.8 million metric tonnes per annum (MMTPA) was approved in the year 1998 considering the increasing trend of demand and anticipated transportation requirements in the future years. As the projected requirements of KBPL were higher than the then available" capacity of KBPL, the proposal to augment the pipeline capacity was taken up to ensure adequate supply of products to strategically sensitive and high growth North-West region of the country**.** The executed cost of this scheme was Rs. 66.68 crore.

(c) and (d) During execution of KBPL, the contractor could not complete the work in time. Owing to that delay, the Bank Guarantee (BG) of Rs. 87.5 crore were encashed as per the provisions of the contract by Indian Oil Corporation Limited (IOCL). An amount of Rs. 30 crore (approximately) was paid as interest against the BG encashed. The payment of interest on the amounts of BG encashed (for non-performance of contract) was part of the over all settlement of all disputes relating to the composite work contract for 6 MMTPA capacity which were the subject matter of the then ongoing arbitration proceedings in the matter. The payment to the contractor was released after the proposed settlement was duly approved and after obtaining the Arbitral Award from the Arbitration Tribunal
(formed on the directions of the Hon'ble Supreme Court of India), closing the Arbitration proceedings.

The amount against the encashed BG was utilized by IOCL for its operations. Had the BG not been encashed, IOCL would have had to take a bank loan to meet fund requirements and paid interest on it Thus, IOCL has not suffered by payment of interest.

Demand for royalty from A.P. Government

1686. SHRIMATI N.P. DURGA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government have received any proposal from the State Government of Andhra Pradesh for its share in the form of royalty from Gujarat State Petroleum Corporation from the recent natural gas finds in K.G. Basin;

(b) whether Government have initiated any negotiations with the above company;

(c) if so, the details thereof; and

(d) if not, the reason therefor?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYER): (a) to (d) In terms of the Petroleum and Natural Gas Rules, 1959 (Rule-5), as amended from time to time, any land or mineral lying under the ocean within the territorial waters or continental shelf of India vests in the Union and licenses or leases for Petroleum operations are granted by the Central Government. Hence, all discoveries and consequent production from any offshore area, royalty accrues to the Central Government. In respect of production from onland areas, the State Government would be entitled to royalty. In the case of the recent gas finds in the offshore KG Basin, royalty under the Petroleum and Natural Gas rules would accrue to the Central Government.

Abandoned oilfields in **Western Offshore**

1687. SHRI CHITTABRATA MAJUMDAR: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the status of production in oil bearing structures in Ratna-R-Series in Western offshore;

(b) whether they are at present lying in abandoned condition in spite of the present global oil crisis;

(c) whether ONGC had discovered oil in this area and produced oil from 1983 to 1994; and

(d) if so, the reasons for not handing over the oilfields back to ONGC?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANISHANKAR AIYAR): (a) Pursuant to the Discovered Field Policy of the Government, Ratna-R-Series field was offered as one of the fields for development under the joint venture arrangement. The field was awarded to the consortium of Essar Oil Limited, Premier Oil and Oil & Natural Gas Corporation Limited (ONGC), where private companies have 60% participating interest and ONGC 40%. The Production Sharing Contract (PSC) for the field could not be finalised till date as certain issues are still required to be decided by Government before a final decision on the finalisation of the PSC is taken.

(b) to (d) ONGC had discovered the Ratna-R-Series fields and had a Petroleum Mining Lease (PML) valid for 20 years *i.e.* from 11.2.1981 to 10.2.2001 for exploitation of oil and gas. In December, 2002, ONGC had applied for fresh grant of PML for another 20 years w.e.f. 11.2.2001. As mentioned above, a final decision on the PSC is yet to be arrived at.

Functioning of retail outlet in Bareilly

1688. SHRI DARA SINGH CHAUHAN: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to refer to answer to Unstarred Question 1276 given in the Rajya Sabha on the 14th December, 2004 and state:

(a) whether the Letters of Intent (LOI) are regularly delayed in all such cases where complaints are received;

(b) the reasons for the delay in the issue of letter of intent to the allottees alongwith the outcome of the enquiry and the decision taken by the competent authority;

(c) the time-frame within which the retail outlet at Bareilly shall be made functional;

(d) the steps being taken to avoid such delays on account of frivolous complaints; and

(e) the action being taken against officials responsible for the delay?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI
SHANKAR AIYAR): (a) and (b) Whenever a complaint is received against selection of any dealership, it is inquired into by the competent authority in the Oil Marketing Company (OMC) concerned, in line with the OMC's grievance redressal system. No complaint can be dismissed as frivolous at the outset without going into the merits of the complaint. Further, the time taken to complete an inquiry depends upon the nature of the complaint. Therefore, the issue of a Letter of Intent (LOI) may get delayed by varying periods of time, depending on the nature of the complaint, the time taken to complete the investigation into the complaint and the decision by the competent authority based on the investigation report.

(c) to (e) In the case of the retail outlet dealership of Hindustan Petroleum Corporation Limited (HPCL) at Nawabganj, Bareilly, though the interview for the selection of the dealer for this outlet was held in July, 2004, the LOI

could not be issued in time because of a complaint received against selection of the dealer. The complaint has been investigated by the company in line with their grievance redressal system, which also involved asking the complainant to substantiate the allegations. The investigation has since been completed and, based on the outcome of the investigation and the competent authority's decision thereon, the company has issued an LOI to the dealer-select on 3.8.2005. It is not possible to indicate the exact time-frame within which this retail outlet will be made operational as commissioning of any outlet depends on various factors like acquisition of land, obtaining no objection certificate/clearances from various authorities, etc.

HPCL is investigating the matter of the delay in the issue of the LOI for the retail outlet at Nawabganj, Bareilly. Any action against official(s) concerned for this delay will depend on the outcome of this investigation.

Supply of PNG in Delhi

1689. SHRIMATI SUKHBUNS KAUR: Will the Minister of PETROLEUM
AND NATURAL GAS be pleased to state:

(a) whether Piped Natural Gas (PNG) is being supplied in different areas of Delhi, through pipelines directly from HBJ pipeline;

(b) if so, the areas covered by the PNG supplies, and how the cost of PNG supplies compared with the LPG; and

(c) what are the plans for covering the rest of the capital with PNG?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) and (b) Indraprastha Gas Limited (IGL) receivesnatural gas from HBJ at DESU terminal, and thereafter through its own pipeline network supplies CNG and PNG to consumers in Delhi. The areas covered for PNG supplies to domestic consumers are :—Golf Link, Sujan Singh Park, Sunder Nagar, Kaka Nagar, Bapa Nagar, Pandara Park, Pandara Road, Lodhi Complex, Lodhi Colony, Sarojini Nagar, Naroji Nagar, Pragati Vihar, Mohammadpur, Bharat Nagar, Friends Colony (East and West), New Friends'Colony, Ishwar Nagar, Kalindi Colony, Khan Market, Maharani Bagh, Jor Bagh, Asiad Village, Sukhdev Vihar, Sarita Vihar (Pocket A & H), Zakir Bagh, Pant Nagar, Nizamuddin East

& West, Jangpura Extn. Jangpura, Diplomatic Enclave, Indraprastha Estate, Neeti Bagh, Gulmohar Park, Andrews Ganj Extn., Mayur Vihar, Phase I, Rohini Sectors .9,13 & 14, R.K. Puram, Vasant Kunj Pocket C-3,6/7,8 & 9 and B-11, Patparganj, I.P. Extn., Mayfair Garden, Kali Ban Marg, HUDCO.

In the domestic segment category, the price of PNG is indexed to the LPG price as sold in domestic LPG cylinders and is at present at a 2.5% discount on equivalent heating value basis.

(c) New areas are identified each year for extending PNG supply subject to economic viability. During the remaining part of the current financial year 2005-06, the following areas are planned to be covered for PNG supply:—

Rohini Sector-15, Pitam Pura, Paschim Vihar, Vikas Puri, Mayur Vihar Phase II, Vasundhara Enclave, Uday Park, Anand Lok, Gulmohar Enclave. Further, CPWD colonies of Kidwai Nagar, Laxmibai Nagar, Netaji Nagar, R.K. Puram, Sector 8, 9, 12 & 13, Andrews Ganj and Chanakya Puri may also be covered subject to confirmation of funding by CPWD.

Production of kerosene

1690. DR. MAM. RAMASWAMY: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the kerosene supplied through Public Distribution System has not been adequate to meet the demand of public;

(b) if so, whether Government propose to direct the refineries to produce more kerosene in order to meet the shortfall;

(c) the amount of kerosene to be produced by refineries in order to maintain adequate supply of kerosene in the country; and

(d) the total demand and supply of kerosene in the country sold through PDS, State-wise?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) kerosene sold under the Public Distribution System (PDS) is an allocated product. In terms of the policy adopted

by the Government of India, the allocation of PDS kerosene to various States/Union Territories was reduced every year beginning 2001-02 till 2004-05, taking into account the number of LPG connections released in each of the States/Union Territories.

In view of the requests received from various State Governments for increasing the allocation, the Government of India have commissioned the first-ever detailed study of kerosene demand in the country, through the National Council of Applied Economic Research (NCAER) in December, 2004. The final report of NCAER is expected by September, 2005.

Pending the report of NCAER, and taking a view thereupon, for the year 2005-06, allocations have been maintained at the level of 2004-05, including additional allocations made during that year to meet urgent demand of PDS kerosene in States/Union Territories. The decision about rationalizing the allocation of PDS kerosene among States/Union Territories would be taken after examining the NCAER report.

(b) and (c) Although, current refinery capacity is sufficient to meet the domestic demand of PDS kerosene (SKO), Oil Marketing Companies who are distributing PDS kerosene had represented to Government that owing to non-availability of adequate quantities of SKO from domestic refineries, they have to import SKO at higher prices, whereas some of the stand-alone refineries were exporting Jet Kerosene/Aviation Turbine Fuel (ATF) which is equivalent to the PDS kerosene product. Considering that non-availability of kerosene may assume significant proportions, it became essential that Government take pro-active action. Accordingly, a proposal to direct refineries to produce a minimum amount of kerosene have been examined. The Department of Legal Affairs have confirmed the powers of the Central Government to issue such an order under the Essential Commodities Act. In the meantime, Oil Marketing Companies have been advised to discuss the availability of kerosene with various refineries to meet domestic demand.

The estimated requirement of PDS kerosene 2005-06 from refineries work out to approximately 7% of their estimated crude throughput for 2005-06 including private refineries.

(d) The State-wise details of kerosene allocation for the second quarter of 2005-06 are given in the Statement.

Statement

State-wise details of kerosene allocation for 2nd quarter of 2005-06

State/UT	SKO allocation for 2nd Quarter of 2005-06 (July to September, 2005 (in MTs)
1	2
Andaman & Nicobar Islands	1454
Andhra Pradesh	129289
Arunachal Pradesh	2314
Assam	64502
Bihar	161857
Chandigarh	3267
Chhattisgarh	36734
Dadra & Nagar Haveli	695
Daman & Diu	529
Delhi	42121
Goa	4803
Gujarat	185940
Haryana	36405
Himachal Pradesh	12634
Jammu & Kashmir**	14489
Jharkhand	52794
Karnataka	115369
Kerala	54077
Lakshadweep*	000
Madhya Pradesh	122152
Maharashtra	319219
Manipur	4977
Meghalaya	5100

1	2
Mizoram	1554
Nagaland	3328
Orissa	78744
Pondicherry	3064
Punjab	59298
Rajasthan	99728
Sikkim	1395
Tamil Nadu	139732
Tripura	7708
Uttar Pradesh	310443
Uttaranchal	22462
West Bengal	188026
All India (Total)	2286203

* Advance *ad-hoc* allocation for Lakshadweep for six months has already been conveyed *vide* this Ministry's letter of even number dated 22.02.2005.

**Allocation for J & K State (other than Ladakh region) is given in two blocks *i.e.* Summer (April-September) @40% of annual allocation and Winter (October-March) @ 60% of annual allocation. This allocation is for other than Ladakh region of J & K State. For Ladakh region State Government of J & K is allowed to uplift the entire year's allocation *i.e.* 3600 MTs of SKO during summer months *i.e.* May to October, when the road remains open.

Shortage of kerosene

1691. SHRI T.S. BAJWA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that shortage of kerosene oil is due to use of kerosene oil in automobile;

(b) if so, the reasons therefor; and

(c) what steps Government are taking to prevent its commercial use?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) to (c) Kerosene is sold as subsidized product
through the PDS system, outside PDS allocations, there is free sale kerosene. PDS kerosene is allocated by the Government of India to the States/Union Territories.

Government are aware of attempts by unscrupulous elements to divert PDS kerosene for adulterating transportation fuels. Such attempts are largely driven by the price difference between kerosene and transportation fuels.

Punitive action against adulteration is taken by the Government/ Public Sector Oil Marketing Companies (OMCs) under the following provisions:—

(i) In accordance with the Control Orders issued by the Government under the Essential Commodities Act, 1995, to prevent fuel adulteration, State Governments are empowered to take action against those indulging in adulteration. Government have repeatedly urged State Governments/Union Territory Administrations to step up inspections/surprise checks to ensure that adulteration related activities are minimized and to exercise vigil/conduct inspections at various private firms, factories, processing units etc., under their jurisdiction to identify the perpetrators of adulteration and take stringent action against them within the available legal framework.

(ii) OMCs undertake regular and surprise inspections of retail outlets and also take action under Marketing Discipline Guidelines (MDG) and Dealership Agreements against those indulging in adulteration and malpractices. MDG provide for penalty of termination of dealership in cases of adulteration being established.

Besides the measures already in place, Government have approved an innovative pilot project of the Ministry of Petroleum & Natural Gas for radically revamping the PDS kerosene distribution network with the primary objective of ensuring that this heavily subsidized project is actually made available in the required quantities at subsidized prices to the intended beneficiaries; and, secondly, to thus cap, reverse and

eventually eliminate the diversion of PDS SKO for adulteration. The pilot project is to be implemented in 10% of the blocks of the country for a period of six months. Thereafter, the working of the scheme would be independently assessed and, based on the experience gained, Government will consider scaling up the scheme to cover the entire country. It is hoped this will lead to a significant breakthrough in the delivery of subsidized SKO to the entitled segments of society and thus contribute to the curbing of diversion for adulteration.

Diversion of domestic LPG cylinder for commercial purpose

1692. SHRI LALIT SURI: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the practice by LPG agencies in Delhi to divert LPG cylinders meant for domestic use for commercial purposes is still being followed;

(b) the number of such cases detected during 2003, 2004 and so far during 2005, alongwith the names of agencies involved;

(c) whether the licence of any agency has been cancelled and any other specific action taken against the defaulters alongwith their particulars; and

(d) whether the names of defaulter gas agencies have been made public, if not, the reasons therefor?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) and (b) The names of LPG distributorships of Public Sector Oil Marketing Companies (OMCs) operating in Delhi found involved in the diversion of domestic LPG for commercial purposes during 2003, 2004 and 2005 (upto June, 2005) are given in the annexed Statement (See below).

(c) and (d) Two LPG distributorships of Indian Oil Corporation Limited (IOCL), namely, M/s Vee Vee Enterprises and M/s Hitesh Enterprise, have been terminated for their involvement in various malpractices, including diversion of domestic cylinders. Action against other distributors has been taken under the provisions of the Marketing Discipline Guidelines (MDG). There Is no practice of publicising the defaulter LPG distributors.

Statement

Details of LPG Distributors of Public Sector Oil Marketing Companies (OMGs) Operating in Delhi Found Diverting Domestic LPG Cylinders since year

Year	Name of LPG agency
2003	M/s. Roop Gas.
	M/s. Mayapuri Gas Co.
2004	Nil
2005 (upto	M/s. Amit Gas Agency.
June 2005)	M/s. Fairdeals.
	M/s. Vardhman Gas Agency.
	M/s. Gujarat Agencies.
	M/s. Amar Gas Service.
	M/s. Manohar Gas Service.
	M/s. Vee Vee Enterprises.
	M/s. Sukhdham Gas Service.
	M/s. Shri Subhash Gas Service.
	M/s. Keerti Gas Service.
	M/s. Vidya Sagar Gas Agency.
	M/s. Avtar Gas Service.
	M/s. R.K. Agencies.
	M/s. Shakti Enterprises.
	M/s. Arya Gas Service.
	M/s. Parul Gas Service.
	M/s. Hitesh Enterprise.
	M/s. Nandi Gas Distributors.
	M/s. Dagar Gas Service.
	M/s. Gauri Enterprises.
	M/s. Neelkanth Gas.
	M/s. Jagan Enterprises.
	M/s. Shiv Shakti Gas Service.
	M/s. Anand Gas Service.
	M/s. Sharman Gas Co.
	M/s. Santoshi Gas Service.
	M/s. Chanakya & Siddartha Gas Co.
	M/s. Priyanika Gas Service.
	M/s. Sarla Enterprises.

Delivery of under weight cylinders

1693. SHRI LALIT SURI: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government are aware that LPG agencies of private oil companies deliver cylinders to their consumers after weighing in their presence and for that purpose their delivery men carry spring balances, whereas LPG agencies of oil companies in the public sector do not do so and thereby deliver underweight cylinders;

(b) if so, whether Government propose to direct oil companies in the public sector to follow private oil companies; and

(c) if not, the reasons therefor?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) to (c) Public Sector Oil Marketing Companies (OMCs) have reported that their LPG distributors are under instructions to ensure 100% weighment of cylinders at their godown before delivery at the customers premises. In a bid to enhance customer satisfaction levels, distributors in sleeted markets have been advised by OMCs to provide a spring balance to enable the customer to verify the correctness of the weight of LPG in the cylinder. OMCs have introduced this scheme in major markets of the country.

Model village project of ONGC

†1694. SHRIMATI KUM KUM RAI: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the number of backward villages in the country designated to be developed as model villages by Oil and Natural Gas Commission;

(b) the details thereof alongwith the names of the places where work has been started in this regard, State-wise; and

(c) if not, the reason therefor?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) to (c) The Oil and Natural Gas Corporation (ONGC) has no plans to develop backward villages as "model villages". However, ONGC propose to set up 'PURA' villages to Provide Urban amenities in Rural Areas in States in which the company is producing oil gas. One

†Original notice of the question was received in Hindi.

such village has been set up at East Lalabaria in the State of Tripura. Based on the experience gained from this, ONGC plan to undertake similar projects in other States.

Commercial use of LPG

†1695. SHRIMATI KUM KUM RAI: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the annual percentage of LPG used for commercial purpose;

(b) whether LPG is being sold from retail outlet for commercial use; and

(c) if so, the details thereof?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI
SHANKAR AIYAR): (a) LPG sales of Public Sector Oil Marketing Companies (OMCs) for commercial purpose (Non-domestic packed) was about 1.45% of their total sales of LPG, during the year 2004-05.

(b) and (c) OMCs are selling auto LPG through Auto LPG Dispensing Stations (ALDS) in various cities. The total sale of auto LPG during the year 2004-05 was 31138 Metric Tonne (MT).

Allocation of kerosene to Orissa

†1696. SHRI SURENDRALATH: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that the allocation of kerosene oil to Orissa has been decreasing continuously since 2001-02 and despite request being made by State Government, Kerosence oil is not being allocated as per data of census 2001;

(b) if so, whether the State Government has requested to allocate kerosene oil to Orissa on the pattern being followed in the case of Punjab and Haryana; and

(c) if so, the reasons for delay in following the aforesaid pattern?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI
SHANKAR AIYAR): (a) to (c) As per the policy adopted by the Government of India, the Kerosene (SKO) allocation for distribution under the Public

†Original notice of the question was received in Hindi.

Distribution System (PDS) to various States/Union Territories, including Orissa, was reduced every year beginning 2001-02 and 2004-05, taking into account the number of LPG connections released in each of the States/Union Territories. The State Government of Orissa has made a request for the allocation of PDS SKO on the basis of uniform per capita availability in all States.

In view of the requests received from various State Governments for increasing the allocation, the Government of India have commissioned the first-ever detailed study of Kerosene demand in the country, through the National Council of Applied Economic Research (NCAER) in December 2004. The final report of NCAER is expected by September 2005.

Pending the report of NCAER, and taking a view thereupon, allocations have been maintained for the year 2005-06, at the level of 2004-05, including additional allocations made during that year to meet emergency/urgent demands for PDS Kerosene in States/Union Territories. The decision about rationalizing the allocation of PDS kerosene among States/Union Territories would be taken after examining the NCAER report.

Sub-wholesalers for kerosene In Karnataka

1697. SHRI KB. KRISHNA MURTHY: Will the Minister of PETROLEUM
AND NATURAL GAS be pleased to state:

(a) whether the State Government of Karnataka has requested the Central Government to drop the proposed introduction on sub-wholesalers for kerosene;

(b) if so, what are the reasons given by the State Government to drop the above move; and

(c) the action, if any, taken in this regard?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) The Government have approved an innovative pilot project of the Ministry of Petroleum and Natural Gas for radically revamping the PDS kerosene distribution network with the primary objective of ensuring that this heavily subsidized product is actually made available in the required quantities at subsidized prices to the intended beneficiaries;

and secondly, to this cap, reverse and eventually eliminate the diversion of PDS, SKO for adulteration. The pilot project is to be implemented in upto 10% of the block of the country for a period of six months. Thereafter, the working of the scheme would be independently assessed and, based on the experience gained, Government will consider scaling up the scheme to cover the entire country.

This scheme provides, *inter-alia,* for setting up of sub-wholesalers between the wholesalers and retailers with a view to strengthening the distribution network.

(b) The Karnataka State Government have *inter-alia* communicated that if this scheme is implemented, the extra sub-wholesale point would come into being and, as a result, commission and transportation charges would be an extra burden on the consumer. This would mean additional burden on the already inadequate supervisory machinery at the District/Taluk level. At present, PDS kerosene is being transported from oil company terminal to wholesale point and from wholesale to the retail outlets by the wholesalers, the cost which is built into the retail selling price. The appointment of sub-wholesalers would lead to creation of another level, which would add to the diversion. It would be better if the existing system in Karnataka is adopted and improved by entrusting the transportation of the kerosene oil to the companies right up to the retail points or, in other words, ensure delivery system for kerosene oil. This would result in savings in costs besides avoid diversion.

(c) The suggestions of the State Government are being examined.

Agreements on import of oil and gas

1698. SHRI MANGANI LAL MANDAL: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that an agreement was signed between Oman and India in September, 1994 for the import of natural gas and **a** Memorandum of Understanding was signed between Iran and India in July, 1993 and thereafter in November, 1993 again;

(b) whether it is also a fact that an understanding has been reached again in 2005 between Iran and India for importing gas and the proposal exists for importing gas from Bangladesh and Myanmar also; and

(c) if so, the details thereof?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) "The record pertaining to the period mentioned in the Question is being verified and the information would be laid on the table of the House".

(b) and (c) Minister of Petroleum and Natural Gas and Panchayati Raj visited Iran between the 11th and the 14th June 2005 at the invitation of the Minister of Petroleum of Iran to review the progress on import of natural gas from Iran both in the form of Liquefied Natural Gas (LNG) as well as through pipeline, as also other projects/proposals with a view to furthering hydrocarbon sector cooperation between the two countries.

During the visit, a Sale Purchase Agreement (SPA) for the purchase of 5 million metric tonnes per annum (MMTPA) of LNG was signed between GAIL (India) Limited (GAIL)/lndian Oil Corporation (IOC)/Bharat Petroleum
Corporation Limited (BPCL) and National Iranian Gas Export Company Limited (NIGEC) on the 13th June, 2005, in Tehran in the presence of the two Ministers.

On the Iran-Pakistan-India gas pipeline project, a Heads of Agreement was signed between NIGEC and the Indian companies. The two sides agreed to constitute an India-Iran Special JWG to discuss the technical, financial, commercial, legal and related issues to realize a safe and secure world-class project. The first meeting of India-Iran Special JWG was held in New Delhi on 3rd & 4th August 2005. In this meeting it was *inter-alia* agreed that preliminary understanding of the preferred Project Structure would be reached by early November, 2005 and tripartite meeting would be held before 31 st December, 2005 to finalize the framework Agreement.

As regards, importing gas from Myanmar, in January 2005, Minister (P&NG) participated in a trilateral Ministerial meeting between the Oil Ministers of Bangladesh, Myanmar and India. In pursuance of the trilateral Joint Press Statement released after that meeting, a Techno-Commercial Working Committee (TCWC) of the representatives of the three countries was constituted. The first Meeting of the TCWC was held in Yangon on 24-25 February 2005. The TCWC prepared a draft MoU to be signed by the three oil Ministers after the approval of their respective Governments. However, the approval of the MoU has been delayed on account of differences between India and Bangladesh over one preambular paragraph

in the draft MoU. Issues relating to the draft Moll continue to be under consideration of the Governments of Bangladesh and India even as India^ explores with Myanmar other options of importing natural gas into India from Myanmar.

Promotion of tourism industry in Assam

1699. SHRI URKHAO GWRA BRAHMA: Will the Minister of TOURISM be pleased to state:

(a) the reasons for which the growth of Tourism Industry is tardy in Assam as compared to other States;

(b) whether it is a fact that the industry is not getting proper attention from the Centre; and

(c) if so, what is the Central Government's immediate target in boosting the industry and whether there will be any special budget allocation in the coming financial year?

THE MINISTER OF STATE OF THE MINISTRY OF TOURISM (SHRIMATI RENUKA CHOWDHURY): (a) Development of tourism is the responsibility of the State Governments/U.Ts. Ministry of Tourism, Government of India provides financial assistance for creation of tourism-related infrastructure including tourism circuits and tourist destinations.

(b) and (c) Budget outlay of the Ministry of Tourism, Government of India is not allocated on State-wise basis but on the basis of projects submitted by the States that have been prioritized in consultation with the Centre and are complete in all respect The Ministry has sanctioned financial assistance to the State of Assam during last three years, as under:—

Year	Amount Sanctioned
2002-03	Rs. 721.30 lakh
2003-04	Rs. 313.46 lakh
2004-05	Rs. 821.75 lakh

With development of much needed infrastructure, tourist arrivals in the State have increased by 6.1% 10.2% for domestic and foreign tourists respectively, in the year 2004 compared to the previous year *i.e.* 2003.

Development of villages for tourist spots

1700. SHRI DATTAMEGHE: Will the Minister of TOURISM be pleased to state:

(a) whether Government propose to develop some villages in the country and made them tourist destinations, thereby benefiting villagers socially and financially;

(b) if so, the details thereof;

(c) whether some villages have been identified for their development into tourist spots;

(d) if so, the details thereof;

(e) the amount likely to be spent for development of each such village; and

(f) by when the work on the project is likely to start?

THE MINISTER OF STATE OF THE MINISTRY OF TOURISM (SHRIMATI
RENUKA CHOWDHURY): (a) to (f) Yes, sir. The creation of infrastructure in Rural areas having potential for tourism is being supported under the existing scheme of Destination Development. The objective is to showcase rural life, art, culture and heritage at rural locations and in villages, which have core-competency in terms of craft/handloom/textiles etc.

Under the scheme funds are sanctioned and released based on the proposals received from the State/UT Governments for infrastructure development at Rural sites. Based on proposals received from State Governments during the Tenth Five Year Plan the details of Central Financial Assistance extended for development of each such villages is enclosed as Statement.

Statement

State-wise Rural Tourism Scheme/Projects Sanctioned during Tenth Plan (upto 30th June 2005;

(Rs. in lakhs)

Sl. No.	State		Name of the Project	Year of Sanction	Amount Sanctioned	Amount Released
1.	Andhra Pradesh	1.	Development of Pochampalli, Nalgonda District	2003-04	50.00	40.00
		2.	Rural Tourism at Konaseema Village, East Godavari District	2003-04	50.00	50.00
		3.	Development of Puttaparthi, Anarrthpur District	2004-05	49.50	39.60
		4.	Development of Chinchinada, East Godavari District	2004-05	50.00	40.00
		5.	Development of Srikalahasti, Chittor District	2004-05	50.00	40.00
2.	Assam	6.	Development of Rural Tourism at Durgapur, District Golaghat	2002-03	46.83	14.04
		7.	Dehing-Patakai Kshetra, District Tinsukia	2004-05	44.33	35.46
		8.	Rural Tourism at Sualkuchi in Kamrup District	2004-05	50.00	40.00
3.	Bihar	9.	Rural Tourism Project, Nepura Village, District Nalanda	2003-04	50.00	40.00
4.	Chhattisgarh	10.	Development of Rural Tourism at Village Chitrakote, District Bastar	2003-04	50.00	15.00
		11.	Development of Rural tourism at Chitrakote Village, District Bastar	2003-04	50.00	40.00
		12.	Development of Rural tourism at Champaran, District Raipur	2003-04	50.00	15.00
		13.	Rural Tourism at Nagamar, District Bastar	2003-04	48.00	38.40
		14.	Development of Kondagaon, District Bastar	2005-06	50.00	40.00

Sl. No.	State		Name of the Project	Year of Sanction	Amount Sanctioned	Amount Released
5.	Delhi	15.	Rural Tourism at Kotla Mubarakpur	2003-04	09.78	09.78
		16.	Rural Tourism at Nangli, Razapur, Delhi	2003-04	36.30	36.30
6.	Gujarat	17.	Development of heritage village at Tera	2003-04	50.00	40.00
		18.	Rural Tourism at Hodka, District Kachchh	2003-04	50.00	40.00
		19.	Development of Navagaon and Malegaon rural tourism. District Rajkot	2003-04	92.70	27.81
7.	Haryana	20.	Rural Tourism at Jyotisar, District Kurukshetra	2003-04	50.00	40.00
8.	Himachal Pradesh	21.	Rural Tourism at Nagar, District Kullu	2003-04	50.00	40.00
		22.	Rural Tourism Paragpur, District Kangra Valley	2003-04	50.00	15.00
9.	Jammu and Kashmir	23.	Development of Rural Tourism at Village Drung, District Baramula	2005-06	50.00	40.00
		24.	Development of Rural Tourism at Village Surinsar, District Jammu	2005-06	50.00	40.00
		25.	Development of Rural Tourism at Village Gagangir, District Srinagar	2005-06	50.00	40.00
10	Karnataka	26.	Rural Tourism Project at Kokkare Bettur, District Bellur	2002-03	50.00	15.00
		27.	Development of Attiveri Bird Sanctuary as a rural tourism project, District Uttar Kannada	2003-04	60.00	18.00
		28.	Rural Tourism at Banvasi District, Uttar Kannada	2003-04	50.00	40.00
		29.	Rural Tourism project in Anegundi, District Bellary	2003-04	50.00	40.00

Sl. No	State		Name of the Project	Year of Sanction	Amount Sanctioned	Amount Released
		30.	Rural Tourism Project in Coorg	2003-04	50.00	40.00
11.	Kerala	31.	Development of Kumbatangi as rural tourism Destination, District Emakulam	2003-04	50.00	40.00
		32.	Development of rural tourism at Arnamula, District Pathanamthitta	2003-04	20.00	16.00
		33.	Development of Village Balrampur in Thiruvananthapuram District	2004-05	50.00	40.00
12.	Madhya Pradesh	34.	Rural Tourism in Hatwa Village	2002-03	44.00	13.20
		35.	Rural Tourism at Chaugan, District Mandla	2003-04	50.00	40.00
		36.	Rural Tourism Project at Pranpur, District Ashoknagar	2003-04	48.00	38.00
13.	Maharashtra	37.	Rural Tourism at Sulibhanjan-Khultabad District Aurangabad	2003-04	50.00	40.00
14.	Nagaland	38.	Rural Tourism at Mopunchupket	2002-03	50.00	15.00
15.	Orissa	39.	Rural Tourism Project at Raghurejpur, District Puri	2002-03	50.00	40.00
		40.	Development of Village Pipli in Puri District	2004-05	50.00	40.00
16.	Rajasthan	41.	Rural Tourism at Nesmrana, District Alwar	2003-04	50.00	40.00
		42.	Rural Tourism Project, Samode Village, District Jaipur	2003-04	50.00	40.00
17.	Sikkim	43.	Development of Village Lachen in North District	2004-05	50.00	40.00
18.	Tamil Nadu	44.	Development of Kazhugumalai under rural tourism. District Thoothukudi	2003-04	48.66	38.94
		45.	Development of Theerthamalai, District Dharmapuri	2003-04	50.00	40.00

Sl. No.	State		Name of the Project	Year of Sanction	Amount Sanctioned	Amount Released
		46.	Rural Tourism at Karaikudi, Chettinadu, District Sivaganga	2003-04	50.00	40.00
		47.	Development of Devtpattinam (Navbhashnam in Ramnathpuram District	2005-06	50.00	40.00
		48.	Thirukurungudi, District Tiruneiveli	2005-06	50.00	40.00
19	Tripura	49.	Rural Tourism at Kamlasagar, District West Tripura	2002-03	42.92	13.48
		50.	Rural Tourism at Champui Hills, District North Tripura	2003-04	50.00	15.00
20	Uttaranchal	51.	Rural Tourism Project at Jageshwar, District Almora	2002-03	50.00	40.00
		52.	Rural Tourism Project in Agora Village (Dodital) Uttar Kashi District	2005-06	48.50	38.80
		53.	Development of Hub Village at Mottad and its satellite station	2005-06	48.05	38.44
21.	West Bengal	54.	Development of Rural Tourism Centre at Ballabhpur Danga, District Birbhum	2003-04	50.00	15.00
		55.	Development of Village Sonada, District Darjeeling	2004-05	50.00	40.00
					2687.57	1851.25

Tourism potential of Orissa

1701. SHRI B.J. PANDA: Will the Minister of TOURISM be pleased to state:

(a) whether it is a fact that Orissa proposes to go in for a big leap in tourism;

(b) whether it is also a fact that both Indian and foreign tour operators have been visiting this region to promote tourism; and

(c) if so, the details of the help that has been rendered by the Central Government to the cash-strapped Orissa in its mission to improve economy in this sector?

THE MINISTER OF STATE OF THE MINISTRY OF TOURISM (SHRIMATI RENUKA CHOWDHURY): (a) Yes, Sir. Development and promotion of tourism is primarily the responsibility of the State Governments/U.T. Administrations.

(b) Yes, Sir.

(c) Ministry of Tourism, Government of India, extends financial assistance to the State Governments/UTs for tourism related projects which are identified in consultation with the State concerned every year under the schemes Integrated Development of Tourist Circuits, Product Infrastructure and Destination Development and Large Revenue Generating Projects.

The details of financial assistance sanctioned during the last three years of the Tenth Plan to the State of Orissa are as under:—

(Rs. in lakh)

SI. No.	Name of project	Amount sanctioned
	2002-03	
1.	Rural Tourism Project at Raghurajpur (Distt. Puri)	50.00
2.	Computerization of Offices	7.50
	2003-04	
1.	Development of Puri as a Tourist destination	394.55
	2004-05	
1.	Development of Peace Park and Amphitheater at Dhauli (Distt. Khurda)	488.51
2.	Development of facilities at Lalitgiri, Ratnagiri, Udaigiri and Langudi under Buddhist Circuit	740.66

Tourism projects at Chamundi Hills

1702. DR. VIJAY MALLYA: Will the Minister of TOURISM be pleased to state:

(a) when did the work on the ropeway to Chamundi Hills begin;

(b) whether it is a fact that a Single Window Agency had approved the ropeway project to a private firm called SIKKA in 1994;

(c) the reasons for the delay in beginning the project;

(d) the amount Government have sanctioned for the project; and

(e) by when the work on the development of Tourism Park will be commenced at the foot of the Chamundi Hills on 50 acres of land which has already been acquired?

THE MINISTER OF STATE OF THE MINISTRY OF TOURISM (SHRIMATI RENUKA CHOWDHURY): (a) No project proposal for ropeway to Chamundi Hills in the State of Karnataka has been sanctioned by the Ministry of Tourism.

(b) Yes, Sir, by the State Government of Karnataka.

(c) The State Government of Karnataka has intimated that there was delay in getting clearances from Forest Department, Pollution Control Board and obtaining land from Karnataka Industrial Areas Development Board.

(d) The State Government has informed that they have not sanctioned any funds. The State Government through the Single Window Agency will only facilitate setting up of the project.

(e) The State Tourism Department has not acquired any land for establishment of Tourism Park. The land which has been identified for development of Tourism Park belongs to the Forest Department.

New projects on rural life

1703. SHRI PRASANTA CHATTERJEE: Will the Minister of TOURISM be pleased to state:

(a) whether it is a fact that Government have sanctioned 55 projects to showcase rural life, art, culture and heritage; and

(b) if so, the destinations of the sanctioned projects, State-wise?

THE MINISTER OF STATE OF THE MINISTRY OF TOURISM (SHRIMATI RENUKA CHOWDHURY): (a) Yes, Sir.

(b) Details of the destinations projects sanctioned State-wise are enclosed as per Statement.

[Refer to the Statement appended to the Answer to Unstarred Question No. 1700.]

Amendment to include Tourism in the Concurrent List

1704. DR. NARAYAN SINGH MANAKLAO: Will the Minister of TOURISM
be pleased to state:

(a) whether it is a fact that tourism despite being a subject of national importance, does not figure out in any of the three lists *viz.* Union, State and Concurrent;

(b) whether it is also a fact that the Department Related Parliamentary Committee on Tourism has recommended amendment to include tourism in the Concurrent list;

(c) if so, the steps taken so far and by when the amendment is likely to be made; and

(d) the reasons for delay in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF TOURISM (SHRIMATI RENUKA CHOWDHURY): (a) The subject 'Tourism-, as such, does not figure in any of the three lists of the Seventh Schedule of the Constitution of India. However, individual subjects related to tourism like Pilgrimage; Visas; Airways; Carriage of Passengers by railways, sea or air; Ancient and Historical Monuments; Archaeological Sites; Museums; Communications; Land; Fairs; Inns & Inn-keepers; Theatres; Taxes on luxuries; Shipping and Navigation etc. do appear in one or the other list.

(b) Yes, Sir.

(c) and (d) In view of the fact mat "tourism" is not a single entity but an amalgam of number of activities like accommodation, food & beverages, transportation, entertainment services, travel agencies, safety & security; etc. which are under the administrative control of different Ministries or States, and thus involve legal issues, the feasibility of placing "tourism" in the Concurrent List of the 7th Schedule of the Constitution of India has

been referred to M/o Law & Justice for advice. Based on the advice received from Ministry of Law & Justice, further decision shall be taken. In view of this, it is not possible to indicate a time frame.

Promotion of spiritual tourism

1705. SHRI HARISH RAWAT: Will the Minister of TOURISM be pleased to state:

(a) whether there is any scheme to develop, promote and popularise the spiritual tourism effectively in certain States of the country;

(b) whether such States have been listed and whether the State of Uttaranchal is one of them; and

(c) if so, the names of such States alongwith details of the selected places and the locations thereof for the spiritual tourism?

THE MINISTER OF STATE OF THE MINISTRY OF TOURISM (SHRIMATI RENUKA CHOWDHURY): (a) Development and promotion of tourist destinations is primarily the responsibility of State Governments. However, Ministry of Tourism assists the State Governments under its Scheme of "Product/Infrastructure Development for Destinations and Circuits". The scope of this scheme include development of tourist destinations which can contribute towards spiritual development.

(b) The State of Uttaranchal has become popular as tourist destination in this regard due to its impressive product.

(c) The Ministry of Tourism takes up development and promotion of tourist/spiritual destinations/circuits based on the receipt of proposals from the State Governments and this is a continuous process.

Connectivity of major tourist centres

1706. SHRI THENNALAG. BALAKRISHNA PILLAI: Will the Minister of TOURISM be pleased to state:

(a) whether Government are emphasising improved connectivity to major tourist centres in the country and particularly to South India;

(b) whether any action plan has been chalked out;

(c) if so, the details thereof;

(d)whether other Ministries have also been consulted in this regard;

(e)if so, the details thereof and the views expressed by each Ministry; and

(f) if not, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF TOURISM (SHRIMATI RENUKA CHOWDHURY): (a) to (c) The Ministry of Tourism has taken up the matter with the State Governments and have emphasized on the need for improving connectivity to major tourist centres. They have also been advised to send proposals for such connectivites to the Ministry of Road Transport and Highways for funding under their scheme of Centra! Road Fund.

(d) to (f) The Ministry of Tourism has requested the Ministry of Road Transport & Highways for improving connectivity to major tourist centres in the country and have also requested them to consider the stretches of Road connectivity from these spots to the National Highways as a part of National Highways itself. The Planning Commission has allocated funds for improving connectivity from the National Highway/State Highway to the various sites in the cities of Agra and Varanasi. They have also agreed to help in improving connectivity to other important destinations. The Ministry of Cult lire has also taken up the matter with the Ministry of Road Transport and Highways for developing connectivity to the monuments under their control.

Development of tourism Industry in Orissa under "Incredible India"

1707. SHRI B.J. PANDA: Will the Minuter of TOURISM be pleased to state:

(a) whether it is a fact that Orissa has good potential for tourism, but it lacks infrastructure;

(b) whether the State has nine major beaches, a potential for tourist hubs, but on account of lack of infrastructure, it drives away the tourists; and

(c) if so, what is the action plan of the Centre under "Incredible India" campaign to help the State to develop its tourism industry?

THE MINISTER OF STATE OF THE MINISTRY OF TOURISM (SHRIMATI RENUKA CHOWDHURY): (a) Yes, Sir.

(b) Development and promotion of tourism is primarily the responsibility of the State Governments/U.T. Administrations. Ministry of Tourism, Government of India, extends financial assistance to the State Governments/ UTs for tourism related projects which are identified in consultation with the State concerned every year. The schemes are: Integrated Development of Tourist Circuits, Product Infrastructure and Destination Development and Large Revenue Generating Projects.

The details of financial assistance sanctioned during the last three years of the Tenth Plan to the State of Orissa are as under:—

(Rs. in lakh)

SI. No.	Name of Project	Amount sanctioned
	2002-03	
1.	Rural Tourist Project at Raghurajpur (Distt. Pun)	50.00
2.	Computerization of Offices	7.50
	2003-04	
1.	Development of Pun as a Tourist destination	394.55
	2004-05	
1.	Development of Peace Park and Amphitheater at Dhauli (Distt. Khurda)	488.51
2.	Development of facilities at Lalitgiri, Ratnagiri, Udaigiri and Langudi under Buddhist Circuit	740.66
3.	Rural Tourism Development of Village Pipli (Distt. Puri) (Hardware)	50.00
4.	GOI-UNDP Endogenous Rural Tourism Project at Village Pipli (Distt. Puri) (Software)	20.00
5.	Rural Tourism Development of Village Raghurajpur (Distt. Puri) (Software)	22.00

(c) Ministry of Tourism promotes India as a whole through various themes in its "Incredible India" campaigns which also includes the State of Orissa.

Ashoka Hotel running without Completion Certificate

1708. SHRI R.K. ANAND: Will the Minister of TOURISM be pleased to state:

(a) whether it is a fact that ITDC flagship hotel, 'Ashoka' is running without a completion certificate for the last 37 years;

(b) whether it is also a fact that the NDMC has been criticized for this violation in the recent audit report; and

(c) what action has been taken or proposed to be taken against the officer responsible for it, indicating the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF TOURISM (SHRIMATI RENUKA CHOWDHURY): (a) No, Sir. The first Completion Certificate was issued by the NDMC *vide* its Resolution No. 70, dated 19.8 1966 based on the Building Scheme No. 102, dated 26.7.1966.

(b) Ministry of Tourism and ITDC are not aware of any such report.

(c) Does not arise.

Schemes for promotion of tourism

1709. SHRI N.R. GOVINDRAJAR: Will the Minister of TOURISM be pleased to state:

(a) whether Government have formulated new schemes to promote tourism during the current year;

(b) if so, the details thereof, State-wise;

(c) the expenditure incurred by Government for the development of tourism in the country during the last three years; and

(d) the amount allocated/released by Central Government to the State Governments for implementation of the aforesaid schemes?

THE MINISTER OF STATE OF THE MINISTRY OF TOURISM (SHRIMATI RENUKA CHOWDHURY): (a) and (b) The Government has formulated several schemes to promote tourism during the Tenth Five Year Plan and also during the current year which are as under:—

1. Product/Infrastructure Development for Destinations and Circuits.

2. Assistance to Large Revenue Generating Projects.

3. Overseas promotion and publicity including Market Development Scheme.

4. Domestic Promotion and Publicity including Hospitality.

5. Capacity Building for Service Providers.

(c) The expenditure incurred by Ministry of Tourism for the development of tourism in the country under plan schemes was Rs. 252.04 crore in 2002-03, Rs. 357.40 crore in 2003-04 and Rs. 463.93 crore (provisional) in 2004-05.

(d) The amount allocated/released by the Government to various State Governments for development of tourism in the country during the last three years is as per the statement.

Statement

State-wise tourism projects sanctioned during the Tenth Five Year Plan (as on 31.3.2005;

(Rs. in Lakhs)

		2002-03			2003-04			2004-05 (provisional)		
SI. No.	State/UT	No. of Project Sancd.	Amount Sancd.	Amount Released	No. of Project Sancd.	Amount Sancd.	Amount Released	No. of Project Sancd.	Amount Sancd.	Amount Released
1	2	3	4	5	6	7	8	9	10	11
1.	Andhra Pradesh	2	507.50	195.00	6	946.50	896.44	16	2827.19	2240.68
2.	Assam	9.	768.13	618.85	3	313.46	313.06	8	986.03	766.22
3.	Arunachal Pradesh	5	41.30	32.50	6	1044.60	700.00	9	1325.50	927.96
4.	Bihar	8	505.00	505.00	6	1019.42	913.89	7	1901.43	1527.71
5.	Chhattisgarh	9	308.00	98.50	6	1005.00	364.00	6	1117.94	897.93
6.	Goa	1	0.50	0.50	2	36.76	34.76	3	110.00	38.00
7.	Gujarat	2	197.12	59.13	8	920.51	815.82	2	138.93	111.14
8.	Haryana	8	332.25	311.00	16	1215.38	879.23	S	693.55	513.64
9.	Himachal Pradesh	30	779.32	760.38	4	182.32	85.00	12	2680.00	2161.00
10.	J&K	3	94.38	89.47	5	895.00	895.00	5	819.25	699.04
11.	Jharkhand	0	0	0	2	1109.00	774.60	2	945.91	756.72
12.	Karnataka	6	902.49	625.49	14	932.66	792.51	12	2461.76	1937.37
13.	Kerala	11	861.36	829.86	6	608.50	564.15	10	2283.63	1820.33
14.	Madhya Pradesh	18	711.18	574.79	10	621.90	394.51	11	1595.19	942.21
15.	Maharashtra	8	623.46	546.25	10	931.83	914.58	10	1620.62	925.30
16.	Manipur	2	5.24	"2.62	1	82.44	24.73	0	0.00	0.00

1	2	3	4	5	6	7	8	9	10	11
17.	Meghalaya	3	70.35	21.20	2	40.22	24.92	2	963.30	807.91
18.	Mizoram	6	141.16	48.46	5	567.70	186.75	6	1086.35	382.38
19.	Nagaland	5	360.50	323.43	4	711.00	220.80	7	2250.69	1413.40
20.	Orissa	2	47.50	15.75	5	419.55	138.50	8	1320.74	1059.38
21.	Punjab	3	23.00	14.60	2	96.00	12.30	7	724.68	581.47
22.	Rajasthan	13	1098.70	1096.20	14	1644.81	1414.25	13	2516.61	1375.07
23.	Sikkim	13	346.24	269.76	8	1151.09	681.49	8	660.81	531.33
24.	Tamil Nadu	5	559.00	316.10	14	1339.82	850.53	7	1308.92	705.83
25.	Tripura	5	216.13	67.78	6	450.17	135.16	1	20.00	16.00
26.	Uttaranchal	3	548.00	418.00	4	230.44	203.94	7	2199.98	1750.73
27.	Uttar Pradesh	3	295.00	295.00	7	1115.80	916.26	9	1044.93	831.19
28.	West Bengal	5	201.10	60.00	10	717.44	384.34	10	513.04	407.43
29.	Andaman & Nicobar	0	0	0	0	0	0	0	0.00	0.00
30.	Chandigarh	3	7.75	6.63	2	10.00	8.00	3	467.00	373.60
31.	Dadar & Nagar Haveli	2	8.07	6.46	0	0	0	0	0.00	0.00
32.	Delhi	14	504.00	449.02	17	3316.28	3222.13	8	628.85	511.00
33.	Daman & Diu	3	49.50	16.90	1	265.07	238.56	0	0.00	0.00
34.	Lakshadweep	0	0	0	0	0	0	0	0.00	0.00
35.	Pondicherry,	2	7.87	6.30	1	245.17	73.55	2	451.00	360.00
	TOTAL:	212	11121.10	8680.93	207	24185.84	18073.76	217	37663.83	27371.97

Note- This includes the projects relating to Circuits, Destinations, LRG, UNDP Rural Tourism Software and Hardware, IT, Event and Fair & Festivals.

Promotion of Tourism in Kashmir

1710. SHRI TARIQ ANWAR: Will the Minister of TOURISM be pleased to state:

(a) whether Government propose to urge European countries to lift travel advisory to promote tourism in the country especially in Kashmir;

(b) if so, the details thereof; and

(c) what other steps Government are taking to woo the foreign tourists to visit the valley and other tourist places?

THE MINISTER OF STATE OF THE MINISTRY OF TOURISM (SHRIMATI
RENUKA CHOWDHURY): (a) and (b) The Ministry of Tourism, through its overseas offices, Ministry of External Affairs and the Indian Missions abroad, takes up the matter regarding lifting of travel advisories, as and when issued by different countries, to promote tourism in the country, including Kashmir.

(c) The Ministry of Tourism, through the India tourism offices overseas, undertakes a series of promotional activities in tourist generating markets overseas to attract foreign tourists to visit tourist places in the country, including Kashmir. These include advertising, participation in Fairs and Exhibitions, organizing Seminars, Workshops and Road Shows, publication of Brochures and joint advertising support and inviting media personalities, tour operators and opinion makers to visit the country under the Hospitality Programme of the Ministry

Buddhist circuit tours in Bihar and U.P.

1711. KUMARI NIRMALA DESHPANDE: Will the Minister of TOURISM be pleased to state:

(a) whether there is any plan to arrange Buddhist circuit tours in Bihar and U.P;

(b) if so, what are the special arrangements being made to facilitate tours of foreign tourists, specially tourists from the East; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF TOURISM (SHRIMATI RENUKA CHOWDHURY): (a) to (c) Formulation and selling of tours to various destinations is primarily undertaken by tour operators, travel agents and State Tourism Development Corporations based on demand and tourist infrastructure available. The Ministry of Tourism has granted Central Financial Assistance to Governments of Bihar and Uttar Pradesh for development of the Buddhist Circuits. The Buddhist destinations of these States are also being promoted in overseas markets through the India tourism Offices abroad.

Linking of Port Blair with Phuket for promotion of tourism

1712. DR. K. MALAISAMY: Will the Minister of TOURISM be pleased to state:

(a) whether it is a fact that, of late, Thailand has become the main outlet of narcotic trade of Myanmar;

(b) if so, whether it will not be unwise and dangerous to sign an accord to link Port Blair with Phuket for promoting tourism; and

(c) whether there has been a thorough investigation that Phuket is totally free from LTTE operation?

THE MINISTER OF STATE OF THE MINISTRY OF TOURISM (SHRIMATI
RENUKA CHOWDHURY): (a) to (c) The agreement between Phuket and Port Blair provides for cooperation in education and culture, urban development, solid waste management, commerce, investments besides tourism.

Promotion of Medical Tourism

1713. SHRI R.P. GOENKA: Will the Minister of TOURISM be pleased to state:

(a) whether it is a fact that a comprehensive scheme has been formulated to promote India as a healthcare destination to attract more foreign tourists;

(b) if so, the details thereof, including the low-cost super-speciality

hospitals/healthcare centres identified, if any, for accreditation and the steps taken to suitably ease the visa regime for the foreign tourists seeking medical treatments; and

(c) the results of any survey conducted to assess the additional revenue likely to be generated through the medical tourism?

THE MINISTER OF STATE OF THE MINISTRY OF TOURISM (SHRIMATI RENUKA CHOWDHURY): (a) and (b) Yes, Sir. Ministry of Health and Family Welfare and Ministry of Tourism have formed a Task Force, headed by Secretary (Health) and senior officials of the concerned Ministries and experts in the medical field, with a view to promoting India as a health Destination for persons across the globe so as to gainfully utilize the health care expertise and infrastructure available in the country. It has also been decided to promote and market India as a Healthcare destination through collaterals/print/electronic and internet media under the Ministry of Tourism's "Incredible India Campaign".

Indian healthcare Federation in association with Cll on Ministry of Tourism's pursuation has after elaborate due diligence prepared a guide on select Indian cities and corresponding hospitals for promotion in Health Tourism. Government of India Ministry of Home Affairs has introduced a new category of "Medical Visa" ('M'-Visa), which can be given for specific period to foreign tourists coming to India for medical treatment.

(c) No such survey has been conducted in this regard.

Financial assistance for the Madhav National Park, Madhya Pradesh

†1714. SHRI PYARELAL KHANDELWAL: Will the Minister of TOURISM be pleased to state:

(a) whether the State Government of Madhya Pradesh has sought financial assistance for the Madhav National Park under tourism development scheme;

(b) if so, the amount allocated during the year 2005-06 under the scheme; and

(c) if not, by when the said amount will be released?

†Original notice of the question was received in Hindi.

THE MINISTER OF STATE OF THE MINISTRY OF TOURISM (SHRIMATI RENUKA CHOWDHURY): (a) No, Sir.

(b) and (c) Do not arise.

Eco-tourism

†1715. SHRI BHAGWATI SINGH: Will the Minister of TOURISM be pleased to state:

(a) what is the concept of Eco-tourism;

(b) the details of the schemes meant for development of eco-tourism in Himachal Pradesh, Uttaranchal and Uttar Pradesh, State-wise;

(c) whether all the above three State Governments have sent their schemes regarding development of eco-tourism in their respective States to the Central Government for approval; and

(d) if so, the details thereof and by when the said schemes are likely to be approved?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM (SHRIMATI RENUKA CHOWDHURY): (a) The National Eco-Tourism Policy and Guidelines has already been laid down by Ministry of Tourism which aim to preserve, retain and enrich natural resources and to ensure regulated growth of Eco-Tourism with its positive impacts on environmental protection and community development.

(b) The Ministry of Tourism extends Central financial assistance to the State Governments/Union Territories for development of tourism including Eco-Tourism. These projects are sanctioned under the "Destination Development" and "Integrated Development of Tourism Circuit" schemes and details of the schemes approved during 10th Five Year Plan are placed in the Statement. (See below)

(c) and (d) The projects prioritized for the year 2005-06 are as under:

Himachal Pradesh	
Destination:	1. Shimla/Tohnoo/Changsil
Circuits:	1. Mandi Circuit
	2. Chamba Circuit

†Original notice of the question was received in Hindi.

Uttaranchal	
Destination:	IKedarnath; 2. Gangotri
Circuits:	1. Nainital-Almora-Ranikhet 2. Hemkund-Gangariya-Govind Ghat (Valley of Flowers)

Uttar Pradesh	
Destination:	1. Development of Varanasi 2. Development of Agra 3. Bio-Diversity of Chambal and Yamuna Area 4. Development of Rae Bareli 5. Development of Pratapgarh (Ghuisarnath Dham)
Circuits:	1. Vindhya Circuit-Mirzapur-Chunar-Robertsganj 2. Lucknow-Dudhwa-Katamiaghat

The above projects have components relating to Eco-Tourism and same will be sanctioned subject to the sending of Detailed Project Report by the State Governments and availability of funds.

Statement

State-wise details of the schemes approved for the development of eco-tourism

(Rs. in lakh)

SI. No	Name of Project sanctioned to the State of Himachal Pradesh during the last three years	Amount Sanctioned
	2002-03	
1.	Renovation of ancient Temple at Dada Siba (Distt. Kangra)	7.81
2.	Integrated Development of Chandigarh-Kullu-Manali-Lahaul/Spiti-Leh Tourism Circuit	723.06
	2003-04	
1.	Rural Tourism at Paragpur	50.00
2.	Extension of Tourist Adventure Lodge at Mountaineering Institute, Manali	67.32
3.	Development of Naggar Village (Distt. Kullu) under UNDP Endogenous Rural Tourism Project	50.00

SI. No	Name of Project sanctioned to the State of Himachal Pradesh during the last three years	Amount Sanctioned
	2004-05	
1.	Restoration & Revitalization of Heritage Hotel Castle Naggar (Distt. Kullu) and Palace Hotel Chail (Distt. Chail)	500.00
2.	Integrated Development of Tourist Circuit, Shimla	800.00
3.	Development of Kangra Circuit	800.00
4.	Development of Sirmour as Tourist Destination	500.00
5.	Upgradation of Website, production of CD-ROMS and VCDs	20.00
6.	GOI-UNDP Endogenous Tourism Project at village Naggar in Kullu Distt.	20.00
7.	Tourist Reception Centre near Chauri Bihal Manali	24.00
	Name of Project sanctioned to the State of Uttaranchal during the last three years	
	2002-03	
1.	Rural Tourism Project at Jageshwar	50.00
2	Development of Haridwar-Rishikesh as a Tourist Destination:—	
	(i) Development of Green Great Vista for Haridwar— Rs. 403.00 lakh	557.50
	(ii) Landscaping and parking development along Grang River at Rishikesh— Rs. 154.50 lakh	
3.	Artist Camp at Dehradun	5.00
	2003-04	
1.	Mounting of SEL at Haridwar on the Bank of the Ganges	192.00
2.	Upgradation of existing Tourist Rest House at Pipalkoti	21.14
3.	Virasat Festival	15.00
4.	Kumaon Festival 2002	2.30
	TOTAL:	230.44
	2004-05	
1.	Development of Dayara Bugyal under Tourist Circuit	536.36
2.	Development of Pithoragarh-Munsiyari-Berinag in Kumaon under destination development	418.60
3.	Development Pauri-Khirshu-Lahsdowne under destination development	457.93
4.	Integrated Development of Badrinath Dham Travel Circuit	702.09

SI. No	Name of Project sanctioned to the State of Himachal Pradesh during the last three years	Amount Sanctioned
5.	Tourism Networking with INTERNET through WAN	50.00
6.	(Wide Area Network) in 30 Tourist Rest Houses and 10 regional Offices	20.00
7.	GOI-UNDP Endogenous Tourism Project at village Mana Chamoli Distt. Virasat Festival	15.00

Name of Project sanctioned to the State of Uttar Pradesh during the last three years

	2002-03	
	Integrated Development of Vaishali-Naianda-Rajgir-Bodhgaya-Varanasi Circuit: Development works at Dharmachakra Pravattan Udyan at Sarnath, Development of Varanasi; Rajendra Ghat and Dashashmegh Ghat at Varanasi; Landscaping around Chaukhandi Satupa at Sarnath, Varanasi; Signages	196.00
	2003-04	
1.	Construction of Interpretation Centre/Shopping Centre and related development works and services at Fatehpur Sikri (CPWD)	495.80
2.	Celebration of Ramayan Mela at Chitrakut in March 2004	2.50
3.	Celebration of Ganga Festival at Varanasi, 2003	2.50
4.	Development/Beautification of Ram-ki Paidi in Ayodhya (Distt. Faizabad) (CPWD)	98.18
5.	(i) Beautification of Pucca Talab, at Etawah—Rs. 102.49 lakhs (ii) Beautification/expansion of Tourist Complex near Sumer Singh Fort at Etawah—Rs. 61.55 lakhs (State Govt.)	164.04
6.	Installation of Sound and Light Show at Sarnath (ITDC)	352.00
	2004-05	
1.	Development (I) Ma Shakumbhari Devi Temple (2) Baba Haridas Mandir (3) Qutabe Alam Dargah at Gangoh in Shahranpur Distt. Under scheme for Dev. of rural Tourism Under destination development	49.28
2.	Renovation of Radha Kund and Shyam Kund in Mathura Distt, under destination development	145.35
3.	Setting up of Modern Reception Centre at Gorakhpur under destination development	245.66
4.	Renovation/Beautification of Kusum Sarovar at Govardhan (Distt. Mathura) under destination development	100.77

SI. N	Name of Project sanctioned to the State of Uttar Pradesh during the last three years	Amount Sanctioned
S.	Extension and development of Assi Ghat at Varanasi under destination development	464.78
6.	Floodlighting of Mahatma Gandhi Statue at Hazrat Ganj and Vijay Stambh at La Martiniere College at Lucknow under destination development	11.84
7.	Ganga Festival, 2004 at Varanasi	2.50
8.	Holi Festival, 2005 at Barsana (Distt. Mathura)	5.00
9.	GOI-UNDP Endogenous Tourism Project at Village Bhaguwala in Saharanpur Distt.	19.75

Celebration of 350 years of Taj Mahal

†1716. SHRI BHAGWATI SINGH: Will the Minister of TOURISM be pleased to state:

(a) whether Government have made a plan to organize special programmes on the occasion of completion of 350 years of Taj Mahal;

(b) if so, the details thereof;

(c) the number of proposals under consideration of the Central Government sent by State Government in this regard; and

(d) by when the decision is likely to be taken in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF TOURISM (SHRIMATI
RENUKA CHOWDHURY): (a) Yes, Sir.

(b) Tourism promotional campaign was launched to celebrate 350 years of the Taj Mahal. The components of the campaign includes:

(i) Release of advertisement in domestic print and electronic media.

(ii) Production of collateral on Taj theme for distribution in India and overseas.

(iii) Organised cultural programmes at Fatehpur Sikri.

(iv) Release of special commemorative stamp on the Taj Mahal.

(c) The proposals submit by Government of Uttar Pradesh were not as per the stipulated guidelines and were not approved.

(d) Does not arise.

†Original notice of the question was received in Hindi.

Exploitation of tourism potential

1717. SHRI T.T.V. DHINAKARAN: Will the Minister of TOURISM be pleased to state:

(a) whether Government have conducted any survey regarding the tourism potential yet to be exploited in the country;

(b) if so, the details thereof; and

(c) the steps taken to identify and develop the potential tourist spots in the country?

THE MINISTER OF STATE OF THE MINISTRY OF TOURISM (SHRIMATI
RENUKA CHOWDHURY): (a) and (b) The Government has prepared 20 Year Perspective Plans for the States/UT Governments with the broad objectives of:

(i) assessing the existing tourism scenario in the States;

(ii) reviewing the status of existing development/investment plans;

(iii) evaluating the existing potential tourist destinations;

(iv) developing sustainable tourism in a time period of 20 years;

(v) giving plans with short term and long term targets;

(vi) indicating the likely investment on infrastructure development under different heads; and

(vii) preparing an action plan for implementation of identified potential schemes/projects, and for development of infrastructure.

(c) Identification and development of potential tourist spots is the responsibility of the State/UT Governments. However, the 20 Year Perspective Plans prepared for the States have given State-wise details and the action plan for its implementation for identified potential development schemes/projects etc.

Baghlihar Hydel Project

1718. SHRIMATI BIMBA RAIKAR: Will the Minister of WATER RESOURCES be pleased to state.

(a) whether the World Bank appointed expert on Baghlihar Hydel Project arbitration matter, has since visited the dam site for an on-the-spot assessment;

(b) whether India has been able to marshal all facts and data before the arbitrator;

(c) whether because of reduction in flow on Chenab during winter months, power generation at Baghlihar Hydel Project could be far below its projected capacity; and

(d) whether the existing Hydel Projects at Salal on Chenab and Uri on Jhelum generate much less power in winter when the need for power is maximum in J&K?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRI JAY PRAKASH NARAYAN YADAV): (a) The World Bank appointed expert is due to visit the dam site in October, 2005.

(b) Yes, Sir.

(c) and (d) it is a usual phenomenon that the river discharges significantly reduce during the winter months when compared with the monsoon flows. Accordingly, the power generation during winter months at Baghlihar (under construction). Salal and Uri Projects are expected to be considerably less as compared to the installed capacities of these Plants. However, as reported by NHPC, the power generation from Uri and Salal Power Stations during winter months (October to March) is more than the Design Energy for winter months.

integrated Schemes for Water

1719. PROF. SAIF-UD-DIN SOZ: Will the Minister of WATER RESOURCES be pleased to state:

(a) whether he fully appreciates that water resources are scarce in India and better management is needed without any further loss of time; and

(b) if so, whether Government propose to devise integrated schemes for water utilization?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRI JAY PRAKASH NARAYAN YADAV): (a) and (b) Yes, Sir The National Water Policy, 2002 states that water is a scarce and precious national resource. It further states that planning, development and management of water resources need to be governed by National Perspectives and on an integrated and environmentally sound basis, keeping in view the socio-economic aspects and needs of the States.

Control of floods in Assam

1720. SHRI SILVIUS CONDPAN: Will the Minister of WATER RESOURCES be pleased to state:

(a) the number of storage dams which have been proposed in the upstream and tributaries of Brahmaputra;

(b) whether large projects like Subansiri Lower shall cater to the lowering of flood situation in the State; and

(c) what other concrete plans the Central Government have in hand to control flood situation in Assam?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRI JAY PRAKASH NARAYAN YADAV): (a) In the Master Plan prepared by Brahmaputra Board, 10 Nos. storage projects have been proposed in the upstream and tributaries of Brahmaputra.

(b) Subaniri Lower Hydroelectric Project, a part of the cascade development of the Subansiri Basin planned by Brahmaputra Board, does not cater significantly to the lowering of flood situation. However, upper two projects have been planned *inter-alia* to cater to flood control.

(c) The Government of India had constituted a Task Force for flood management and erosion control. The Task Force has recommended short term and long-term measures to control flood situation in Assam. The Central Government also provides financial assistance to Assam to take up critical flood control/anti-erosion schemes. Further, the Brahmaputra Board has also taken up anti-erosion measures at Dholla-Hatighuli and Majuli Island. Government of India had also approved in 2001, Pagladiya Dam Project which has flood control as one of the benefits.

Repair of dam in east Champaran, Bihar

1721. SHRI MOTIUR RAHMAN: Will the Minister of WATER RESOURCES be pleased to state:

(a) whether it is a fact that last year a dam in East Champaran, Bihar had breached due to which losses to the tune of Crores of rupees had taken place;

(b) whether it is also a fact that the damaged dam has not been repaired so far; and

(c) if so, the steps taken to repair the dam and to meet the threat to the dam this year?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRI JAY PRAKASH NARAYAN YADAV): (a) No, Sir.

(b) and (c) Do not arise.

Status of Sardar Sarovar Dam

1722. SHRI LALITBHAI MEHTA: Will the Minister of WATER RESOURCES be pleased to state:

(a) the status of Sardar Sarovar Dam, as on 30.6.2005, so far as the height of the dam is concerned and the expenditure incurred;

(b) whether the Supreme Court has made some observations and given directions for rehabilitation of the families affected, including those who are major members of the family;

(c) by when, the rehabilitation is likely to be completed and the permission to construct the dam upto 138.60 metres given by Narmada Control Authority; and

(d) the estimated loss in monetary terms to agriculture and allied sectors to Gujarat due to non-completion of the dam as scheduled?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRI JAY PRAKASH NARAYAN YADAV): (a) The effective
height of Sardar Sarovar Dam *i.e.* Spillway level is at Elevation Level (EL) 110.64 metre (m) as on 30.6.2005, against the Full Reservoir Level of EL 138.68 m. The expenditure incurred on the project upto 30.6.2005 is Rs. 19,283 crore.

(b) Yes, sir.

(c) The Supreme Court in its judgement dated 18.10.2000 has directed that the permission to raise the Dam height beyond 90.00m will be only pari passu and will be given by the Narmada Control Authority (NCA) from time to time after it obtains clearances from its Relief & Rehabilitation (R&R) Sub-group and the Environmental sub-group. The R&R Sub-group will give clearance to NCA after consulting the three Grievances Redressal Authorities of the States.

The rehabilitation of Project Affected Families (PAFs) of Gujarat, Madhya Pradesh and Maharashtra affected/likely to be affected at EL 121.92 m and opted to resettle in Gujarat has been completed. The permission to construct the dam upto 138.60 m by NCA is dependent upon the clearances by R&R Sub-group and Environment Sub-group.

(d) As reported by the Sardar Sarovar Narmada Nigam Limited the annual monetary loss in Agriculture Sector due to non-completion of Sardar Sarovar Dam works out to about Rs. 30,000 crore.

Floods in Gujarat

1723. SHRI DHARAM PAL SABHARWAL
SHRI RAJU PARMAR:

Will the Minister of WATER RESOURCES be pleased to state:

(a) whether it is a fact that State of Gujarat has experienced severe flood situation recently causing loss of property and lives;

(b) whether rivers in the State are prone to flood and whether Government have any police to make Gujarat free from floods; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRI JAY PRAKASH NARAYAN YADAV): (a) Yes Sir.

(b) and (c) The Government of Gujarat has informed that the rivers traversing in Gujarat are prone to floods in the event of intense and prolonged rainfall. Flood Management being within the purview of States, the schemes for flood control are planned, funded and executed by the State Governments. The role of the Central Government is technical, catalytical and promotional in nature. As per information received from State, the Government of Gujarat has constructed 187 nos. of major, medium and minor dams for utilization of water resources and control and management of floods. Drains on some of the areas have also been constructed. Government of Gujarat has formed Gujarat Disaster Management Authority to mitigate the flood situation.

Water scarcity in Kerala

1724. SHRI A. VIJAYARAGHAVAN: Will the Minister of WATER RESOURCES be pleased to state:

(a) whether there were acute water scarcity in regions of Kerala during summer season;

(b) whether there were several drinking water schemes that were remaining incomplete;

(c) if so, the number of drinking water schemes to be completed and the present status of the above schemes;

(d) the details of drinking water schemes submitted by competent authority of Kerala for approval, if any;

(e) the action taken to check large scale extraction of water by soft drink bottling plants and water theme parks during summer; and

(f) the action taken in details to resolve water scarcity during summer seasons?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRI JAY PRAKASH NARAYAN YADAV): (a) and (b) Yes, Sir.

(c) As reported by Government of Kerala, 2691 drinking water schemes were taken up, out of which 1895 have been completed. The rest of the schemes are under implementation.

(d) No proposal has been submitted by Kerala Water Authority.

(e) The Kerala Ground Water (Control and Regulation) Act, 2002 came into effect on December 16,2003. As per the provisions in the act, Kerala Ground Water Authority has been constituted which can recommend to Government for notification of areas in the State where ground water over exploitation is taking place. The authority has studied the large scale extraction of water by soft drink factories.

(f) As reported by Government of Kerala, schemes under Rajeev Gandhi Drinking Water Mission, Rainwater Harvesting and Artificial Recharge is being implemented by the State Ground Water Department. The Government of Kerala has chalked out an action plan to complete certain ongoing schemes and the works are in progress.

Water Flow in Rivers

†1725. SHRI NAND KISHORE YADAV: Will the Minister of WATER RESOURCES be pleased to state:

(a) whether it is a fact that water to the extent of 300 million gallons flows in the rivers without being utilized;

(b) the details in this regard; and

(c) to what extent Government have succeeded with the steps taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRI JAY PRAKASH NARAYAN YADAV): (a) to (c) The average annual precipitation is estimated as 4000 Billion Cubic Metre (BCM) in the country. After accounting for the natural process of evaporation and transpiration through vegetation etc., the average annual water availability in the country is assessed as 1869 BCM. Owing to topographic, hydrological and other constraints, the utilizable water is assessed as 1122 BCM out of which 690 BCM is the surface water and 432 BCM is replenishable ground water. Rest of the water could be considered to be flowing down to rivers and seas.

The water resources is presently being utilised for meeting the requirement for various purposes through development of surface as well as ground water. With a view to optimally utilize the available resources, several measures for development and management of water resources are undertaken by the respective State Governments which include creation of storage, restoration of water bodies, rain water harvesting, artificial recharge to ground water and better management practices etc.

Linking of Major Rivers

1726. SHRI S. ANBALAGAN: Will the Minister of WATER RESOURCES be pleased to state:

(a) whether an Inter-Ministerial Group has been constituted by the Central Government for the efficient utilization of water resources of the country;

(b) if so, the details of the composition of the Group, the meetings held and the on-the-spot assessment visits made by the Group so far;

(c) whether any achievements were made by the Group in this regard to the efficient use of water resources so far;

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†Original notice of the question was received in Hindi.

(d)if so, the details thereof and if not, the reasons therefor;

(e)whether the Group is also looking into the proposal of linking of major rivers of the country to utilize the excess water for deficient areas; and

(f) if so, the progress made, so far, in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRI JAY PRAKASH NARAYAN YADAV): (a) Yes, Sir.

(b) The details of the composition of the Inter-Ministry Task Group on Efficient Utilization of Water Resources is given in the Statement. (See below) The Group has held two meetings. No visits for on the spot assessment were made by the Group.

(c) and (d) The Group has suggested multi pronged action plan which calls for both supply side augmentation and demand side management. Some of the important action points recommended by the Group relates to: (i) completion of irrigation projects; (ii) modernization of irrigation systems; (iii) restoration of water bodies; (iv) development of ground water; (v) artificial recharge of ground water; (vi) on farm water management; and (vii) micro irrigation;

(e)No, Sir. The Group is not looking into the proposal of linking of major rivers of the country:

(f) Does not arise.

Statement

Composition of an Inter-Ministry Task Group on Efficient Utilization of Water Resources

(i) Secretary, Planning Commission	Chairman
(ii) Secretary, Ministry of Water Resources	Member
(iii) Secretary, Department of Agriculture & Cooperation	Member
(iv) Secretary, Department of Agriculture Research & Education	Member
(v) Secretary, Ministry of Finance (Department of Expenditure)	Member
(vi) Secretary, Department of Science & Technology	Member
(vii) Sectoral Officer-in-Charge, Prime Minister's Office	Member
(viii) Adviser (WR), Planning Commission	Convenor

Improvement in quality of drinking water

1727. SHRI RAJU PARMAR: Will the Minister of WATER RESOURCES be pleased to state:

(a) whether it is a fact that inspite of sincere efforts by the Central Government, the States have not improved the quality of drinking water;

(b) if so, the reasons therefor;

(c) whether guideline issued by Government to the States in regard to routine analysis of samples for physico-chemicals and microbial quality are not being followed by States; and

(d) if so, the steps taken by Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRI JAY PRAKASH NARAYAN YADAV): (a) and (b) Rural drinking water supply is a State subject. Central Government assists the State Governments in implementation of rural drinking water supply schemes by providing technical and financial assistance through the Centrally Sponsored Accelerated Rural Water Supply Programme (ARWSP) of Ministry of Rural Development, Department of Drinking Water Supply. 85% of the rural drinking water supply schemes are based on ground-water sources. Problems due to chemical contamination of ground water namely arsenic, fluoride, salinity and nitrate get aggravated due to various reasons like over-extraction of ground water for irrigation purposes, lack of recharge of aquifers due to recurrent droughts and anthropogenic pollution due to industrial waste etc. All the above reasons contribute to the deterioration of drinking water quality from ground water sources.

(c) and (d) As reported by the Ministry of Rural Development, Department of Drinking Water Supply the guidelines issued by Government of India to States for routine analysis of samples for physico-chemical and microbial quality are being followed by the States by and large.

Fluoride and Nitrate in the Ground Water

1728. SHRI DARA SINGH: Will the Minister of WATER RESOURCES be pleased to state:

(a) whether the Central Ground Water Board (CGWB) has conducted any survey in the country so far to find out the quantity of fluoride and nitrate present in the ground water, State-wise;

(b) if so, the details thereof, indicating separately the percentage level of fluoride and nitrate found in ground water of Delhi, Maharashtra and Rajasthan during the last three years till date; and

(c) what remedial measures Central Government have taken so far in this regard, indicating budgetary allocations, in any, made State-wise during 2005-06, particularly in Delhi, Maharashtra and Punjab?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRI JAY PRAKASH NARAYAN YADAV): (a) and (b) Yes, Sir. fluoride and nitrate content in excess of permissible limit from ground water has been reported in localized pockets in various parts of the country. The concentration of fluoride and nitrate in ground water in the States of Delhi, Maharashtra and Rajasthan during the last three years till date is given below:-

Delhi: During the last three years, higher levels of fluoride (above 1.5 parts per million) have been observed from localized pockets in parts of Northwest, Southwest and West districts. Nitrate in excess of permissible limit (above 100 ppm) has been reported from parts of Southwest, West and South districts.

Maharashtra: Fluoride concentration in ground water in excess of permissible limit has been reported from parts of Ahmednagar, Akola, Amravati, Aurangabad, Bhandara, Chandrapur, Dhule, Gadchiroli, Hingoli, Jalna, Nagpur, Nanded, Parbhani, Sholapur and Sindhudurg districts. Nitrate concentration in ground water in excess of permissible limit has been reported from Ahmednagar, Akola, Amravati, Aurangabad, Beed, Bhandara, Buldhana, Chandrapur, Dhule, Gadchiroli, Jalgaon, Jalna, Latur, Nanded, Nashik, Osmanabad, Parbhani, Pune, Sholapur, Wardha and Yavatmal districts.

Rajasthan: Districts having above permissible limit include Ajmer, Banner, Bhilwara, Bikaner, Dungarpur, Ganganagar, Hanumangarh, Jaipur, Jaisalmer, Jalore, Jhunjhunu, Jodhpur, Nagaur, Pali, Rajsamand, Sikar and Sirohi. Nitrate concentration excess of permissible limit has been reported from Barmer, Bikaner and Churu districts.

(c) "Water" being a State subject, it is primarily the responsibility of the concerned State Governments to formulate schemes to provide people with contamination free water. However, Central Ground Water

Board (CGWB) monitors ground water quality periodically to map the changes in it and apprises the State Governments of the same for taking necessary remedial measures. It has also drilled exploratory wells tapping contamination free aquifer zones and has handed over these wells to the State Governments, free of cost, for utilisation.

Department of Drinking Water supply, under the Ministry of Rural Development, is also rendering financial and technical assistance to the States for tackling water quality problems in rural areas through a Centrally Sponsored Accelerated Rural Water Supply Programme (ARWSP). 15% of ARWSP funds have been exclusively earmarked for Sub Mission project for tackling water quality problems. With effect from 01.04.1998, powers to sanction Sub Mission Projects have .been delegated to States.

श्रीमती सुषमा स्वराज : सभापति महोदय ...(व्यवधान)...

श्री सभापति : आप लोग आकर मुझे बैठ तो जाने दो। ...(व्यवधान)... मेरे बैठने के बाद आप ...(व्यवधान)... मुझे बैठने तो दो। ...(व्यवधान)... मैं अलाऊ नहीं कर रहा हूं। ...(व्यवधान)...

श्रीमती सुषमा स्वराज : सभापति जी, जो बात सुबह हो रही थी, या तो उस बीच में कोई समाधान निकलता। ...(व्यवधान)... कोई समाधान नहीं हुआ। ...(व्यवधान)...

SHRI RAVULA CHANDRA SEKAR REDDY (Andhra Pradesh): Sir, this is the most important matter ...*(Interruptions)*...

SHRI N. JOTHI (Tamil Nadu) Sir, it is a genocide ...*(Interruptions)*...

श्री राजू परमार (गुजरात) : सर सदन की कार्यवाही चलनी चाहिए।

श्रीमती सुषमा स्वराज : सभापति जी, 1984 में जो घटा ...(व्यवधान)... वह नरसंहार था, वह genocide था, वह कत्लेआम था और उस कत्लेआम के * आज सत्ता में बैठे हैं। ...(व्यवधान)...

श्री सभापति : यह अखबार मत दिखाइए। ...(व्यवधान)... अखबार नहीं दिखाइए। ...(व्यवधान)...

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* Expunged as ordered by the Chair.

श्रीमती सुषमा स्वराज : नानावती कमीशन कहता है कि पूरी कांग्रेस दोषी है। ...(व्यवधान)... कत्लेआम के * सत्ता में बैठे हैं। ...(व्यवधान)...

श्री संतोष बागड़ोदिया (राजस्थान) : इस पर चर्चा होनी चाहिए ...(व्यवधान)... सर, इस पर चर्चा कराइए। ...(व्यवधान)...

श्री सभापति : आप उनकी तरफ इशारा क्यों कर रहे हैं? ...(व्यवधान)... यह गलत बात है। ...(व्यवधान)... मैं यह नहीं करूंगा। ...(व्यवधान)... आप करते रहिए। ...(व्यवधान)... आप पीछे चले जाइए। ...(व्यवधान)... आप अपनी सीट्स पर जाइए। ...(व्यवधान)... जो कुछ कहना है, सीट्स पर जाकर कहिए। ...(व्यवधान)... वे कुछ नहीं कर रहे। ...(व्यवधान)... सदन की कार्यवाही कल 11 बजे तक के लिए स्थगित की जाती है।

The House then adjourned at two minutes past twelve of the clock till eleven of the clock on Wednesday, the 10th August, 2005.